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Implementing Policy Change Project Mid-Term Evaluation

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IMPLEMENTING POLICY CHANGE PROJECT

MID-TERM EVALUATION

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Particular appreciation is extended to all the A.I.D. staff in Washington and Missions who participated in interviews or responded to questionnaires, as well as those who joined in the Seminar held at AED on "Managing for Results". This seminar provided the team with data and perspectives that proved valuable in considering IPC's premises and in reviewing specific IPC activities. It was enriched by the presentations of AED consultants Dr. John Bryson, Dr. Louise White, and Dr. Merilee Grindle, who attended courtesy of the Africa Bureau's CAER Project, and by moderators and other presenters including A.I.D.'s Duff Gillespie, Gloria Steele, Michael Morfit, Jerry Wolgin, Abby Fessenden, and Phyllis Dichter-Forbes and T. David Johnson, and from the contractor side Larry Cooley and David Gordon (currently on the staff of the House Foreign Affairs Committee.)

Over twenty host country respondents from Jamaica, Guinea Bissau, Zambia, Philippines and Bolivia also greatly contributed to this report. Most of these were contacted during field visits, but some were in the U.S. at the time of the study. Theirs is perhaps the most important perspective, reflecting the utility of IPC's approaches to specific host country policy implementation problems.

EXECUTIVE SUMMARY

Overview

The Implementing Policy Change Project (IPC) responds to a long-standing need within A.I.D. to develop more effective approaches to the implementation of complex policy changes that often involve stakeholders with conflicting agendas. IPC supports managers in their use of strategic management to convert policy changes into action. To accomplish this, the Project provides expert services and applied research to help decision makers and managers improve their abilities to design and implement policies. IPC's overarching goal is to foster positive long-term impacts on socio-economic development through better policy implementation.

The Evaluation Team believes the IPC Project has been very successful in assisting the initial group of host countries in their efforts to implement policy change, although it is too early to judge the sustainability of these changes. The Team's findings did not reveal as much concrete evidence of the utility of applying all the elements of strategic management as may have been anticipated, but use of most of them was implicit in the early success of the field projects, and application of some of the IPC concepts and techniques was outstanding.

The Team was most impressed with manner in which various stakeholders were involved in planning the implementation of the policy changes targeted in several field projects, thereby utilizing the practical knowledge they possess for better implementation design, developing a sense of ownership of the changes, and generating greater support for the policies that otherwise might have seemed quite threatening to their future. The positive statements from host country participants and the high level of Mission buy-ins gave evidence of the degree to which IPC was viewed as providing useful assistance in the difficult area of policy implementation.

IPC was unusually well designed and was sold on its merits, rather than imposed by directives before its utility had been demonstrated. R&D/EID's leadership in Washington has been outstanding, and the personnel recruited by the contractors has been impressive.

The Team believes that the success of the first three years clearly warrants continuation, particularly if the recommendations discussed in the report are followed. Greater emphasis on sustainability will be especially important.

Project Description

IPC targets its efforts on a range of policies - from those that promote broad-based economic growth to those that are focused on the production and social sectors. Special consideration is also given to policies aimed toward the sustainable use and conservation of natural

resources. The Project specializes in applying strategic management approaches and processes in addressing policy implementation concerns. The steps and elements embodied in IPC's strategic management framework, include:

- Agreeing on a strategic process for developing an implementation strategy;
- Mapping or assessing the situation (includes analysis of the external and internal environments, the content of the policy, and stakeholder expectations and resources);
- Identifying strategic issues;
- Designing an implementation strategy; and
- Designing a process to monitor results and make ongoing adjustments.

Examples of the kinds of developing country activities IPC supports include:

- Assessing policies in terms of implementation options and constraints;
- Guiding policy designs that are sensitive to implementation issues; and
- Planning and carrying out the implementation of specific policy changes.

Initial involvement by the IPC team can include:

- Diagnostic missions to determine the principal political and management obstacles to implementing specific policies;
- Assessment of public and/or private sector capacity to carry out specific policy changes;
- Analysis of stakeholder interests and concerns;
- Collection of baseline data related to particular policy changes;
- Appraisals of policy impact to assess the degree to which reform objectives are being achieved and what problems are being encountered;
- Support and guidance to organizations charged with implementing particular policies; and
- Short seminars and workshops for country officials on comparative experience in policy implementation.

IPC's conceptual framework within which these objectives were pursued and the methodology applied has been key to the progress made thus far. The emphasis in the Project Paper, and even more so the leadership of R&D/EID in Washington, has been on a collaborative and iterative long-term type of technical assistance. This basic IPC concept has contributed significantly, in the judgment of the Team, to the high level of host country support for IPC and the usefulness of IPC thus far in the policy implementation process.

A contractor team was competitively selected in 1990, led by Management Systems International, with subcontractors including the International Development Management

Center of the University of Maryland; Abt Associates, Inc.; and Development Alternatives Inc.

Evaluation Objectives and Methodology

The objectives for this mid-term evaluation were to:

1. Understand how the IPC Project has affected the use of strategic management for policy implementation and how the Project's value can be increased;
2. assess the performance of the contractor; and
3. provide a basis for a decision on whether to continue with Phase II of the Project; offer suggestions for any modifications which might further enhance the effectiveness and success of the Project if it is to continue; or, alternatively, consider other development management initiatives which would help strengthen host country capacity to deal with the management of change.

The methodology for collecting data for this evaluation has included: structured interviews with key stakeholders (consultants, A.I.D./W and Mission officials, host country beneficiaries, and other concerned professionals), questionnaires sent to other relevant professionals and officials not interviewed, and a careful review by the evaluators of Project documents and other relevant Project publications. In addition, a seminar on "Managing for results: implementing policy change by host country organizations" was held on September 30, 1993 with broad A.I.D./W representation, which allowed the Team to gather different perspectives related to the basic premises of the Project. A separately bound report summarizes the presentations and discussion at this seminar.

Field visits were conducted in Guinea-Bissau, Jamaica and Zambia where extensive interviews were held with USAID and host country officials, private sector and other donor representatives. Summaries of the field visits are included in Appendix H of this report.

Summary of Findings and Recommendations

The Implementing Policy Change Project is a complex project dealing with difficult issues in concept and execution. First, as was recognized while IPC was being designed and reinforced during the evaluation, policy implementation is often extremely complex, highly politicized, and involves multiple actors. Second, as opposed to projects with "hard" results, IPC is concerned with process -- the transfer of strategic management concepts and techniques to improving policy management. Thus the subject matter of IPC can be difficult to grasp and its impact difficult to measure. Third, people with the combination of strategic management, substantive policy and language skills and country-specific experience needed to carry out many of IPC's tasks are difficult to find. And finally, as an R&D project, IPC has had to negotiate the difficult tension between the need to maintain a coherent and consistent research

focus and the requirement of meeting the technical assistance needs of Bureaus and Missions.

In the judgement of the Evaluation Team, R&D/EID and the contractor team are successfully meeting the challenges posed by IPC, and the Project should be extended into Phase II as currently designed, provided certain recommendations are implemented as discussed later in this Report. Exhibits A, B, and C following this Executive Summary, respond to the specific questions posed by the evaluation scope of work and summarize the progress against the design indicators in IPC's logical framework.

The Team believes that the underlying premises of the Project have been validated through the evaluation process. To summarize:

- The implementation of development policies continues to be a key development issue for A.I.D., indeed one of the most critical facing the Agency. This was substantiated unanimously by interview and questionnaire respondents and by participants in the seminar, "Managing for Results."
- Respondents and seminar participants agree, and documentation on interventions undertaken by the IPC contractor support the premise, that policy implementation is frequently a complex and difficult process, often involving a variety of organizations and requiring mobilization of political support, resolution of conflicting interests, reorientation of government functions, changed public-private sector relationships, as well as effective management.
- To the extent respondents were familiar with the concepts and approaches embodied in strategic management and their utilization by IPC, they were viewed as useful in improving policy implementation. However, they generally identified the successful approaches, such as involvement of stakeholders, more with IPC concepts than strategic management, per se. The Team believes the particular identification is not important, so long as the approaches are useful and well utilized.
- The technical assistance contractor has demonstrated: a) that it is possible to provide A.I.D.-funded experts who have the needed insight and skill to assist host country managers and leaders to use strategic management approaches for policy change; and b) the necessary consultant-client relationships can be established with LDC clients.
- The high volume of Mission buy-in funding for IPC technical assistance demonstrated that there is appropriate and sufficient opportunity in Mission program and project planning and funding for carrying out the technical assistance IPC was designed to provide.

The team found that IPC has been carried out effectively and to high standards, substantially in accordance with the Project design, although some planned activities, such as direct grants

outside the technical assistance contract to management resource institutions, were cut back due to limitations of core funding from the R&D Bureau. Most of the Team's recommendations found in this report are for improvements "at the margin" rather than related to fundamental changes in the way the Project is being carried out.

Especially important in the judgement of the Team are the recommended steps to increase the sustainability of IPC's concepts and processes within A.I.D., broadly speaking, as well as in the specific countries where IPC has been active. The Team also recommends increased emphasis over the remaining two years of Phase I and into Phase II on completing applied research to draw lessons from accumulated field experience and on dissemination of Project experience and results within A.I.D., and to developing countries and other donors.

Support from A.I.D. for IPC, with the exception of the Africa Bureau, which has contributed core support and also regional buy-ins, and Missions which have sought its assistance, has been quite uneven. Other regional Bureaus have provided little or no support. No evidence was found of interest on the part of senior Agency leadership in the Project; indeed, to the extent IPC has been concerned with public sector management issues, for its initial three years of existence it ran counter to A.I.D.'s principal policy thrusts, especially in Eastern Europe and the NIS. On the other hand, funding commitments were substantially met, and buy-in activity exceeded expectations, posing a problem in maintaining the planned balance of research and technical assistance activity. The staffing commitment of R&D/EID was fully met, with the assignment of Jeanne North as Project Officer and Pat Isman as the RSSA-funded project manager. Virtually all respondents had words of praise for their work.

IPC's Future

The current reorganization of A.I.D. and funding cutbacks pose new challenges to IPC. It is the view of the Evaluation Team that the performance of IPC in the first three years has been very good in a difficult area of endeavor. In order for A.I.D. to capitalize on the investment it has made in IPC, however, there will need to be a commitment to extend the successful IPC approaches to other policy implementation efforts and make them part of the normal way of addressing major policy changes. This effort should include the adaptation of IPC's concepts and approaches to Eastern Europe and the NIS, where implementation of fundamental political and economic reforms have been extremely difficult for new governments with little experience.

The Team is concerned that, in view of the important potential of IPC for the success of future AID-initiated policy changes, there appears to be within the new Bureau for Global Programs, Field Support and Research no clearcut "home" yet established for IPC and other public management-focussed projects. In the team's judgement, to the extent that the planned new office concerned with democratic development includes as an important part of its mandate government and the improvement of public sector management, this office would seem to be an very appropriate location for the Project. However, there is also an argument for locating it in the new office concerned with economic growth, since most of the policies

IPC has addressed have been economic in nature. However, the Team recommends that if the latter course is chosen, IPC continue to be permitted to respond to non-economic policy implementation efforts.

EXHIBIT A

RESPONSE TO EVALUATION QUESTIONS

The Evaluation Team was given eight questions to answer that are specific to the IPC Project, and in addition was asked to address six cross-cutting issues developed by the R&D Bureau which are applicable to all its projects. In this section, the Team's responses to these questions are summarized. Further information will be found in the main body of the report.

Question 1. What evidence is there, in the Project's experience and research to date, of validity of the premises of the IPC Project?

Response: In general, the Team found that the premises have been validated. Exhibit A, following, is a recapitulation of the premises underpinning IPC and the Evaluation Team's assessment of their validity.

Question 2. Is the Project properly designed to adhere to the Project premises?

Response: Yes. To respond to this question, the Team reviewed the project design carefully in light of each specific premise and found that all seem to have been thoughtfully taken into account in the design.

Question 3. Has the Project been properly implemented to adhere to the Project premises?

Response: Yes, insofar as possible within funding constraints. Pressures to utilize the Project buy-ins for accomplishing Mission technical assistance objectives inconsistent with IPC's have generally been resisted and the focus on strategic management process maintained. Please see Exhibit C for a review of implementation against the project design indicators.

Question 4. Has the Project been implemented for quality and effectiveness? (For example, what is the quality and effectiveness of the technical assistance and research work performed; of client satisfaction?)

Response: The Team found a high degree of client satisfaction with technical assistance from stakeholders in Missions, Bureaus, and host country organizations. Research products are generally of high quality and well-written, but of limited dissemination.

Question 5. Has the Agency backed the program with sufficient fidelity and resources?

Response: Project management has been effective in adhering to the Project design. The Africa Bureau has generally met its commitments to the Project, in terms of finances and management attention. Other Bureaus initially involved in the IPC

Project Committee provided little or no support, and this is reflected in general lack of knowledge about the Project found in the LAC, ANE, and Europe Bureaus. The R&D Bureau's management staffing commitment was fully maintained. However R&D's funding for institutional strengthening grant activities was eliminated with considerable detriment to long-term objectives under this component.

Question 6. If significant constraints to achieving the Project's purposes have been identified, can they be dealt with, with or without Project modification, to warrant continuation of the Project or/and to realize expected and needed benefits from the Project? (Issues which the team may consider include funding, project management, means of establishing client relationships with -- sometimes multiple and changing -- LDC managers for sensitive tasks and establishing such relationships within USAID Mission programs and program vehicles).

Response: The identified constraints, as discussed in the main report, are inherent in this type of a project and have been effectively dealt with to date. The Team recommends the Project continue without modification in design, but the report includes a number of implementation suggestions, including an increased emphasis on field project monitoring.

Question 7. What are the options (at least three) for the future development of the IPC Project and related development management work? For example:

- Should the Project initiate additional development management specialist resources needed by the Agency for quick-response to new governments or to new dimensions of sectoral programs?
- Should the current IPC Project itself be significantly modified, and if so, how?

Response: The Team has presented in its report a variety of recommendations pertaining to the future development of IPC and related development management work. Based on discussions with the Project Officer and in light of uncertainties concerning future funding for IPC, specific formal options were not developed. It is the Team's judgement that additional efforts should be made toward sustainability and adaptations to other regions, including cadre development, will be particularly important if the Project is to work in the NIS and Eastern Europe. The Team does not believe any significant modifications in IPC are required.

Question 8. In what ways can the Project be managed by A.I.D. and by the contractor to increase the Project's usefulness?

Response: While the Team found the Project to be effectively managed and the operating constraints to be those normal to R&D projects with buy-in components, there are some areas which would improve usefulness. Outside the Africa Bureau, IPC is generally unknown; increased dissemination efforts to other Bureaus are recommended. Emphasis should be given to how IPC can help Missions affect policy

implementation under conditions of "right-sizing." The ability of Missions in Asia and Latin America to use Economic Support Funds and/or their own technical resources for policy implementation assistance is likely to decline, perhaps creating a new "market" for IPC services and for tapping technical assistance funds for sectoral policy changes. In addition, under the serious staffing limitations of European and NIS missions, IPC would seem to have much to offer there.

(Note: See also Appendix L of this report for the Team's response to the "S&T Cross Cutting Evaluation Themes")

EXHIBIT B

Validity of IPC's Underlying Premises

First Premise: Policy implementation is a key development issue. Whereas in many cases, developing countries have recognized that development requires policy change and have adopted new policies indicated by economic analysis and sectoral research, benefits from these decisions have not been realized because the management of policy implementation has not been accomplished.

Evaluation Finding: This premise was confirmed. Of course, the original IPC Project Paper documents the importance of policy implementation. In addition, the Evaluation Team found that policy implementation is regarded almost universally by A.I.D. and host country respondents as a key development issue. Furthermore, at the IPC seminar on "Managing for Results," there was general consensus from among speakers and participants that effective policy implementation is critical to both macro and sectoral reforms. Several examples were identified of how failure to implement policies has impeded accomplishment of development objectives.

Second Premise: Policy implementation is often very difficult. Management of policy implementation is, in general, complex and difficult, often involving multiple organizations, requiring marshaling of political support, resolution of conflicting interests, reorientation of government function and reciprocal public-private relationships as well as managerial systems, skills and procedures which are effective for priority implementation tasks.

Evaluation Finding: This premise was also confirmed. Evidence again derives from the IPC design work, interviews and questionnaire responses as well as from work undertaken by the IPC contractor team reviewing experience in policy implementation. Corroborating evidence from U.S. domestic experience was documented at the Seminar by Dr. John Bryson.

Third Premise: Strategic management concepts and approaches, borrowed and adapted from business, applied with insights from other disciplines, are useful to address difficult policy implementation which is much more complex in purpose, tasks and initiation and decision structure than business strategy.

Evaluation Finding: This premise was confirmed in general. However, it was also confirmed that there are important strategic management elements in policy implementation that are very different from business that need to be further developed. The Team found that the multi-organizational environment of national policy implementation in many contexts makes it difficult to apply a classical strategic management approach, as derived from private business.

Fourth Premise: An A.I.D.-funded contract team can be effective in assisting host country managers and leaders to use strategic management approaches for policy change. Included are:

Sub-Premise: That insight and skill for this purpose is available and can be developed sufficiently for this purpose; that the required range of sectoral/technical and area competencies can be linked with facilitative skills.

Finding: This sub-premise was confirmed. Although many respondents and the contractor team commented on the difficulty of identifying appropriate expertise and the relative scarcity of skilled consultants, Mission and host country personnel that have worked with IPC consultants generally commented very favorably on the competence of those involved thus far in IPC.

Sub-premise: That the necessary consultant-client relationships can be established with LDC clients.

Finding: This sub-premise was confirmed. However, the Team found that there is considerable tension between demands for meeting time schedules and the establishment of effective working relationships. These relationships depend on trust, which takes time to build.

Sub-premise: That USAID Mission program and project planning and funding allows appropriate and sufficient opportunity for carrying out this assistance.

Finding: This sub-premise was confirmed for the IPC field projects, insofar as funding thus far is concerned. The best evidence is perhaps the high ratio (approximately 8:1) of buy-in funding to core support for IPC.

Fifth Premise: When host country managers (in the public or private sector) effectively employ strategic management approaches for policy changes 1) they will positively affect the management of government, whether or not they are effective in implementing the policy and 2) they and their organizations have greater capacity for subsequent development management challenges.

Evaluation Finding. In general the Team felt that it was too early to reach a firm conclusion, despite positive indications from several countries that IPC-initiated approaches are having the desired impact thus far.

EXHIBIT C

Summary of IPC Project Design (LOGFRAME) and Progress toward Meeting Indicator Targets (From IPC Project Paper Section 2.3 and PP Annex 2)

GOAL: LDC's implement policies that enhance broad-based economic growth.

Progress Attained: Review of goal attainment was beyond the scope of this evaluation.

PURPOSE: LDC organizations design collaborative, broad-based management strategies for policy change, and effectively manage the process of [policy] implementation."

End of Project Status (EOPS):¹

1. Indicator: LDC governments and private organizations in eight countries have demonstrated use of strategic management, analysis, decision-making, and processes to strengthen policy choice and implementation.

Progress Attained: This indicator has been attained to a limited degree in at least 8 countries, including Mali, Philippines, Guinea-Bissau, Jamaica, Zambia, Gambia, Zimbabwe, and Uganda. If the field projects continue as planned South Africa can be soon be added to this list.

2. Indicator: LDC governments and private organizations have adopted new roles, improved procedures, and influenced and collaborated with other organizations to achieve better implementation performance.

Progress Attained: This has occurred in at least some of the countries cited above. For example, there is some early evidence in Guinea-Bissau, Jamaica and Zambia.

3. Indicator: The Project's intellectual products have made a significant contribution to knowledge about policy implementation processes, and such knowledge has both

¹It should be noted that, while the project design called for elaboration by IPC of indicators for self-assessment by policy implementors to be used for appraising achievement of the purpose indicators listed below, this process has not been fully accomplished by IPC, despite efforts to do so. Nonetheless, the Evaluation Team's field research and review of project documentation allow some informed statements to be made about the attainment of the EOPS indicators.

improved policy change methods and practice and has informed the discussion of policy implementation issues in development circles.

Progress Attained: To date, the research publications have embraced a range of different kinds of documents, including research notes, technical notes, working papers, bibliographies, and literature reviews. The research and technical notes have proved to be useful reference documents to IPC consultants in preparing for assignments and for distribution and use in training/seminar settings. More extensive contributions to the knowledge base concerning policy implementation are anticipated once the country case study experience is fully documented.

4. Indicator: Six host country or regional resource institutions have contributed usefully to policy implementation endeavors.

Progress Attained: Host country or regional resource institutions, as discussed in the PP refers to universities and management institutes. The Team knows of only one case where such institutions have been involved to date through IPC, i.e. Zambia, and in this case only through PSC employment of institution-based staff. (Also, to a very limited extent in Guinea-Bissau through the Law School).

OUTPUTS

1. Employing strategic management approaches and behavior, LDC managers orchestrate resources, incentives, systems, technology, skills and coalitions to carry out priority implementation tasks. [Indicators: Managers use collaborative methods to a) set organizational objectives, roles and resource use, and b) influence other organizations and political groups to support policy implementation.]

Progress Attained: The Team found strong preliminary evidence from Project documentation and interviews of the use of strategic management approaches and behavior as applied by IPC in many settings, particularly the skillful involvement of stakeholders.

2. LDC management resource institutions and consultants learn and use strategic management concepts and practices ...; they help LDC implementation managers apply them. [Indicators: Management resource institutions work with LDC policy implementation organizations via education, training, research, consulting; demonstrate and support use of policy implementation needs analysis and strategic management methods and processes.]

Progress Attained: Regarding resource institutions, see comment above under EOPS. Despite the limited involvement of resource institutions, IPC has made extensive use of LDC consultants. A number of LDC consultants have worked either directly

through IPC or been assigned through separate administrative mechanisms as collaborators with IPC consultants to apply strategic management concepts and practices.

3. Application of the IPC technical framework generates knowledge and experience which are fed back to modify, refine and improve the approach. [Indicators: Written products convey approach, methods; show changes, modifications in framework based on applied and action research, lessons of experience.]

Progress Attained: The Team found that the "technical" framework has, in a number of cases, been only partially applied. This seems to have limited attaining the applied research objective to date.

4. Research findings and guidance materials are prepared and disseminated. [Indicators: Diagnostic studies, research and guidance produced; conferences, workshops, newsletters.]

Progress Attained: Guidance materials (technical notes, research notes) have been prepared and distributed on a limited basis with more planned for the future. Research on the results coming from the Project's work has been planned and is expected to gain momentum in the next two years.

INPUTS

1. **Indicator:** long-term technical assistance for eight countries; short-term technical assistance and training for twelve countries.

Progress Attained: TA activities of course depend on buy-ins through the IPC requirements contract. "Long-term TA" is defined very explicitly in the PP as referring to both situations where IPC might, for example, provide four TDY's during a year period, or provide one or more resident advisors, or a combination of both. "Short-term TA" is likewise left very open. In this sense, the Evaluation Team found IPC to have had or is moving toward "long-term" engagements in the following 10 countries: Zambia, South Africa, Jamaica, Mali, Burkina Faso, Ivory Coast, Philippines, Guinea-Bissau, Honduras, and possibly Uganda. Short-Term TA has been much more extensive and IPC has been provided such assistance in the following 12 countries: Zimbabwe, Uganda, Lesotho, Bolivia, Haiti, Mozambique, Ghana, Barbados, El Salvador, Gambia, Senegal, Tanzania, Morocco, and Rwanda (pending). (This list includes countries in which TA was provided as part of a regional activity)

2. **Indicator:** applied, adaptive, and action research on strategic management issues and problems.

Progress Attained: To date the research effort has yielded several products in the form of technical notes, research notes, working papers, literature reviews, and annotated bibliographies.

3. Indicator: assistance for and collaborative work with six LDC (country and regional) management resource institutions.

Progress Attained: As noted above under "outputs", this has been extremely limited.

4. Indicator: technical and financial support for professional policy implementation networks in three LDC sub-regions, one in the U.S.

Progress Attained: IPC has worked with one subregional networks to date: The West African Enterprise Network and in the U.S. IPC has provided support to and quality leadership in the Development Management Network.

DETAILED REPORT

I. BACKGROUND

For years A.I.D. has been concerned with an imbalance between the great emphasis placed on the design of programs and projects and the much smaller emphasis placed on their implementation. This problem has been especially evident in the more recent efforts of the 1980's to conduct a dialogue that can bring about policy changes, including democratic initiatives and controversial economic stabilization measures with high political visibility and sensitive social impacts.

In a 1984 survey conducted for A.I.D. Administrator Peter McPherson of over 500 donor and host country officials in Latin America, Africa, the Near East, and Asia, the people interviewed stated that the two most formidable obstacles to achieving needed reforms were (a) the paucity of political leadership with the courage and ability to provide sustained leadership, and (b) a lack of institutional and managerial capacity in key ministries and nongovernmental organizations required to implement reforms. The political and monetary costs of implementation stretch-outs and failures over the years have not been measured, but they are believed to be enormous.

To help address these problems, the Implementing Policy Change Project supports managers in their use of strategic management to convert policy changes into action. To accomplish this, the Project provides expert services and applied research to help decision makers and managers improve their abilities to design and implement policies. IPC's overarching goal is to foster positive long-term impacts on socio-economic development through better policy implementation. A contractor team was selected in 1990 through open competition led by Management Systems International, with subcontractors including the International Development Management Center of the University of Maryland; Abt Associates, Inc.; and Development Alternatives Inc.

IPC has targeted its efforts on a range of policies -- from those that promote broad-based economic growth to those that are focused on the production and social sectors. Special consideration is also given to policies aimed toward the sustainable use and conservation of natural resources. The Project specializes in applying strategic management approaches and processes in addressing policy implementation concerns. The steps and elements typically include:

- Agreeing on a strategic process for developing an implementation strategy;
- Mapping or assessing the situation (includes analysis of the external and internal environments, the content of the policy, and stakeholder expectations and resources);
- Identifying strategic issues;
- Designing an implementation strategy;
- Designing a process to monitor results and make ongoing adjustments.

Examples of the kinds of developing country activities IPC supports include:

- Assessing policies in terms of implementation options and constraints;
- Guiding policy designs that are sensitive to implementation issues;
- Planning and carrying out the implementation of specific policy changes.

Initial involvement by the IPC team can include:

- Diagnostic missions to determine the principal political and management obstacles to implementing specific policies;
- Assessment of public and/or private sector capacity to carry out specific policy changes;
- Analysis of stakeholder interests and concerns;
- Collection of baseline data related to particular policy changes;
- Appraisals of policy impact to assess the degree to which reform objectives are being achieved and what problems are being encountered;
- Support and guidance to organizations charged with implementing particular policies;
- Short seminars and workshops for country officials on comparative experience in policy implementation.

The examples listed above provide an opportunity for IPC Project personnel, host country organizations, and USAID Missions to assess whether on-going collaboration toward policy change is promising and, if so, to agree on an initial plan for such collaboration.

A. OVERVIEW OF THE EVALUATION PLAN AND METHODOLOGY

The objectives of this mid-term evaluation were to:

1. Understand how the Project has affected the use of strategic management for policy implementation and how the Project's value can be increased;
2. monitor the performance of the contractor;
3. provide a basis for a decision on whether to continue with Phase II of the Project; offer suggestions for any modifications which might further enhance the effectiveness and success of the Project if it is to continue; or, alternatively, consider other development management initiatives which would help strengthen host country capacity to deal with the management of change.

In addition to the formal products produced as a result of the evaluation it was anticipated that the evaluation process would lead to increased understanding among key stakeholders of the major premises of the Project and the issues involved in applying strategic management approaches in implementing policy change.

The evaluators have worked in a collaborative and interactive mode with the A.I.D. Project Officers, the contractor team, and other key stakeholders in the Project (in particular, those who have been clients/beneficiaries of the Project) to gather their perspectives on the status of the Project, accomplishments to date, and to identify issue areas which need attention in the remaining life of the Project, and its possible continuation. At various points throughout the evaluation, the evaluators provided interim feedback to the A.I.D. Project Officers and contractor team on progress being made, general patterns of findings, and sought further clarification on issues being raised in interviews with other key stakeholders.

The evaluation was guided by the following general questions which derive from the evaluation terms of reference (included as Appendix A):

1. To what extent has the Project successfully carried out activities which are consistent with and validate the basic premises, assumptions, and objectives of the Project Paper (questions 1- 4, page 2 of the evaluation TOR)?
2. What have been the principal constraints to achieving the Project purpose?
3. What has been the extent of A.I.D. support (including S&T core financing and regional Bureau buy-ins) to meet the targets specified in the Project Paper (question 5 of the evaluation TOR);
4. What improvements might be made in the design and administration of the Project, if it is to be continued (questions 5-8 of the evaluation TOR)?

The methodology for collecting data for this evaluation included: structured interviews with key stakeholders (consultants, A.I.D./W and Mission officials, host country beneficiaries, and other concerned professionals in organizations such as the World Bank and academic/research institutions), questionnaires (via E-Mail, fax, mail) sent to other relevant professionals and officials not interviewed, and a careful review by the evaluators of project documents and other relevant project publications. In addition, a seminar on "Managing for results: implementing policy change by host country organizations" was held September 30, 1993, which examined the key premises of the IPC Project.

The selection of those to be interviewed and to receive questionnaires derived initially from recommendations coming from the A.I.D. Project Officers and the contractor team and were extended/expanded on the basis of information collected from other key stakeholders during the initial set of interviews. Key documents reviewed included: the Project Paper, annual work plans, technical cooperation trip and technical reports, research publications, and project financial documentation. Further details of the evaluation approach may be found in Appendix B, while Appendix C represents a list of people formally interviewed or contacted directly by the Team. A compilation of questionnaire responses received can be found in Appendix D.

B. IPC PROJECT DESCRIPTION

1. IPC Objectives and Project Design

As stated in the Project Paper, "the objective of the Implementing Policy Change (IPC) Project is to improve the policy implementation performance of LDC managers through their use of strategic management processes and methods." (PP, p. 1). The Project was designed to help "LDC organizations design collaborative, broad-based management strategies for policy change, and effectively manage the process of [policy] implementation" (PP, p.7). The IPC Logical Framework and a summary of achievement of the Project's design indicators was presented in Exhibit A, following the Executive Summary,

The IPC Project is concerned with the research and transfer of a management process technology -- strategic management -- and its application to another critical process, that of policy implementation. It builds on a predecessor project managed out of the same A.I.D./W office, the Performance Management Project (PMP), which was similarly concerned with management processes, although to a much broader range of problems. The final evaluation of the PMP recommended that a successor project focus more narrowly on a priority area of Agency concern. Given the centrality of improved policy implementation to more efficient use of resources in LDC's, this became the organizing principle for the follow-on project. A strategic management framework and learning process approach that drew extensively from the work under the PMP was proposed to guide all project work.

The Project Authorization approved for the first 6 years of IPC up to \$5.2 million for "core" funding, of which \$3.6 million was to be obligated from the budget of the former S&T Bureau from the Agriculture, Rural Development, and Nutrition (ARDN) and Education accounts. \$1.6 million was to be in the form of OYB transfers to the Project from the Development Fund for Africa, administered by the Africa Bureau. Another \$13.9 million was authorized to be contributed to the Project by Missions, regional Bureaus and other office of A.I.D.

Total expenditures from FY 1990 through FY 1993 were projected in Annex 7, "Cost Estimate, Financial Plan and Financial Analysis" as \$9,939,316, of which \$6,399,750 was expected to be against USAID Mission buy-ins, \$1,516,621 against regional Bureau buy-ins, and \$2,022,945 against ST/RD core obligations. (See Appendix for financial summary.)

Overall project management was lodged in S&T/RD (later R&D/EID), with Project Officer who had been responsible for the design of IPC and who had previously managed the predecessor PMP. This person was to be assisted by an RSSA specialist in development management from the U.S. Department of Agriculture. A Project Committee was to be formed "to collaborate on IPC Project planning and monitoring to improve the Project's usefulness to the Agency as a whole." This committee was also to review the contractor's annual work plan and annual reports. All regional Bureaus were to appoint one or more

members of the Project Committee or concur with S&T/RD's selection of such members. Implementation of IPC was to be primarily through a single competitively chosen contractor, key criteria for selection of which were identified in the PP. Considerable involvement of regional Bureaus was anticipated in selecting the contractor, providing feedback on assessment of technical cooperation activities, participation in briefings and debriefings of technical cooperation teams, and advising S&T of Mission and Regional Bureau programs, needs, and analyses (PP, pp. 30-35).

2. IPC Components

While the Project activities are highly integrated conceptually and in practice, it was found useful to organize Project activities into different components. The PP's implementation schedule broke down Project activities into the following categories: Technical Cooperation, Research, Networks and Dissemination, and Project Planning. The contractor, in their approved annual work plans, adopted a slightly different classification: Technical Cooperation, Research, Networking, Institutional Strengthening, Dissemination, and Management. The evaluation team found the latter classification useful for organizing its review of Project activities, since it disaggregates the networking and dissemination activities, which are somewhat distinct, and gives greater prominence to institutional strengthening as a key factor affecting the sustainability of IPC's interventions.

II. EVALUATION RESULTS

A. TECHNICAL COOPERATION ACTIVITIES.

1. Overview

Under the original design, the central activity under IPC was to be continuing, long-term technical assistance in eight countries to help governments deal with "pressing decisions of the moment" and develop sustainable capacity for policy-oriented strategic management (or "SM"). This was conceived as combinations of repeated short term technical assistance (TA) (e.g. four TDY's per year) and/or resident in-country TA. However, during the first two Project years, diagnostic or "trouble-shooting" consultations were envisaged with a view to exploring mission and host country interest in IPC's agenda and establishing the bases for longer term collaboration. It was also envisaged that in the middle to later years of the Project short "dissemination seminars" and briefing sessions might be held in countries where IPC had not previously worked.

The Project design did not limit technical assistance to any particular sector or level of development activity. But it did establish, as a general criterion for IPC assistance, that the policy in question must offer the possibility of broad based economic and income growth. Other criteria included:

- measurable results could be expected within 2-5 years;
- natural resources conservation was to be given particular consideration;
- policies would challenge the S-M framework and process;
- policy situations where implementation concerns could be raised during policy formulation or selection;
- availability of host country will and leadership;
- free-market and private sector-oriented policies were to be favored; and
- policy changes with potential regional impact or multiplier effect would be favored.

The PP cited the desirability, for a comparative perspective and to improve knowledge Agency-wide, of TA activities being carried out in all regions. However, due to the heavy involvement of the Africa Bureau in IPC design and expressed interest in utilizing the Project, it was expected that "several" long-term TA activities would be in that region.

TA activities were seen as contributing to:

- a) the process of policy adoption;
- b) design of policy implementation strategy; and
- c) the conduct and monitoring of the implementation process.

TA teams were expected to be comprised of four types of specialists: strategic management specialists; specialists in the functional, organizational, or policy area of concern; specialists in consultation methods; and other specialists as required. The PP explicitly noted that IPC "does not intend to provide economic policy analysis specialists, given that other projects cover this need."

"To the greatest extent possible ..." specialists from host country and regional management resource institutions were to be utilized as team members, to create sustained resource competence and draw on their special knowledge.

Technical assistance was intended to work with LDC or regional management resource institutions, by incorporating their faculty or staff as working members, providing financing for executive level courses at their facilities for policy implementors, and providing capacity-building research grants. IPC was also to encourage host country agencies and USAID Missions to purchase needed implementation research from such institutions and team them with U.S. universities.

2. General Findings

Technical assistance represented the bulk of IPC activities during the first three years of the Project. A listing of all IPC field activities conducted through September 30, 1993 is included as Appendix E of this report. The IPC approach was called upon because of a recognition that policy implementation is a difficult process that is not perceived as having a

high long term success rate. The Evaluation Team found that the technical assistance provided under the IPC Project is demonstrating in its first three years that the IPC concepts and approaches, which incorporate important elements of SM, are very useful in addressing problems that often jeopardize success. The quality and effectiveness of the technical assistance was found to be high.

There was considerable diversity in the problems in which the IPC Project was employed, including implementation of policy changes in democratic initiatives, macroeconomic programs, and major sectoral policy changes. This indicates that there is considerable capacity in IPC to adapt to a wide range of uses and suggests considerable capacity for replication of the basic approaches.

The Team found very strong support for IPC in the Missions and among host country personnel where IPC is involved. In several instances, only some elements of SM were much in evidence, but even so, the results were viewed as positive. In fact, there was considerable cautioning that IPC is most effective when SM is not applied rigidly or in a dogmatic sense, with the flexibility to give special emphasis to one or two elements.

The active support and positive attitude of Jeanne North, IPC Project Officer and Pat Isman, RSSA Project Manager, of R&D/EID were commended highly by nearly all those interviewed. The consultants arranged by MSI and its subcontractors also were regarded by most respondents as outstanding. The Evaluation Team believes that the technical assistance provided under the Project has clearly demonstrated that A.I.D.-funded contract teams can be effective in helping host country managers use SM for policy change. The required skills are available, but not in great supply.

Assisting clients to identify stakeholders and to involve them in constraints analysis, strategy development, and implementation planning stood out as the most prominent feature of IPC technical cooperation, in the view of the majority of those interviewed. This important component resulted in clearer understanding among the stakeholders of the intended policy changes; better tailoring of implementation to the host country environment, thereby improving the quality of the implementation; increased sense of ownership in the policy change; and it developed support for the change.

Whether the other components of SM will be as successfully applied is not yet clear. Establishment of indicators against which to measure progress, for example, needs greater emphasis, as well as more attention to monitoring. Sustainability in the host countries of the approaches IPC has utilized, without continuing high cost outside assistance, still has to be demonstrated as IPC matures.

3. Specific Findings.

Effectiveness Of Field Projects. Based on interviews at three Missions and E-Mail questionnaire responses from other Missions, the Team found widespread agreement that the

principal objectives of the IPC activities either had been achieved or were at least achieving as much as could be expected at this stage. As mentioned above, this does not mean that every aspect of SM was successfully employed, but that those elements which had been deemed most critical had been successful, at times beyond their expectations.

Most striking was the degree to which host country participants had gained a sense of ownership in the policy changes IPC was helping to implement. Even when it was too early to determine whether the new policies would succeed, it was clear that the opportunity to be involved was appreciated by the participants, making them more receptive to change. It was also interesting to note the increased awareness of the roles and the potential contributions of other organizations involved in a particular policy change. In Guinea-Bissau, for example, the Project helped the Ministry of Commerce and Industry to reach out and collaborate with the private sector in ways that had never before happened on key trade and other private sector policy initiatives.

Some of the IPC activities have helped to energize organizations that had become weak or ineffective as was the case with the Ministry of Finance in Jamaica. Where carefully planned, and adequate groundwork had been laid in advance, workshops had a synergistic value. Well conducted workshops, such as the ones held in Jamaica, Guinea Bissau, and Zambia, enabled people from different organizations that are often in conflict, to learn to work together in solving difficult problems. For some, this was an exciting experience that gave the participants a new perspective and sense of empowerment through the realization that they can make a contribution to priority undertakings.

Initiation of Field Projects. Not surprisingly, each IPC field project originated differently. Typically, consideration of IPC developed after a policy change project had been conceptualized and preliminary steps to design the project were underway, including how to solve anticipated problems of implementation. In Guinea-Bissau, IPC was utilized from the outset to help shape a new project which will utilize concepts and policy implementation processes applied by IPC in the project formulation stage. The same applies to Zambia.

Consideration at the Mission level generally occurred because someone had been informed of IPC by Jeanne North or from an IPC contractor reconnaissance. In some instances, primarily Africa, a Washington regional Bureau encouraged a Mission to consider IPC. No evidence was found of the top leadership of A.I.D. having encouraged IPC field projects.

The fact that the Africa Bureau contributed core funding for IPC, part of which was available for reconnaissance trips and initiation of field activities, greatly facilitated operating in that region and contributed to the predominance of buy-in activity in that region.

Policy implementation concerns that led Missions to consider IPC included the need to (a) gain acceptance by people in the ministries tasked with the responsibility for implementing a policy that was difficult or controversial, (b) develop effective working arrangements with the clients of a government activity, (c) establish and institutionalize a policy analysis and

coordination unit or other structural device to further policy development and implementation, and (d) gain sufficient involvement of stakeholders to develop a sense of ownership that would generate support for policy change.

In one or two instances, IPC appeared to be looked upon by Mission personnel primarily as a vehicle for accomplishing a particular step in A.I.D.'s project development process, such as contributing to the technical or institutional analysis required for a Project Paper. Such activities were allowed by R&D/EID when there was a strong possibility of longer-term involvement. Indeed, even where the scope of these applications was limited in the beginning, they appeared to develop some support for the IPC participatory process in general. While useful, especially in the pilot stage, this more narrow approach to IPC is not encouraged by R&D/EID. It is regarded by the Team as marginal to the central objectives of IPC and probably not the best utilization of future limited IPC resources unless the Mission and R&D/EID are quite sure that such an opening wedge will lead to broader application.

The Team would agree that the question of which particular policy area should be addressed initially by utilization of IPC, such as stabilization measures, changes in the education system, policies to increase agricultural productivity, enhancing export trade, improving the administration of justice, etc., is not so important as the opportunity to gain acceptance of the IPC concepts within host country institutions. Once established, they can be adapted to other areas. Other selection factors were cited as being much more significant, such as assurance that the host country leadership is committed to the IPC approach.

It was refreshing to find that the IPC objectives and hoped for outcomes in the organizations we visited were program oriented. In other words, the IPC efforts were regarded as facilitative for achieving program objectives, rather than the IPC processes viewed as the ultimate goals in themselves. This point is important because so often well-intentioned projects for improving the management of programs become viewed as ends in themselves, and have little or no effect on achieving the mission of the organization.

Application of Strategic Management. The Team found few individuals who were very familiar with SM. And those who were informed generally were not comfortable about discussing SM in a conceptual or theoretical level. In contrast, people were happy to discuss specific, practical activities under IPC. Most thought the management concepts and processes they saw embodied in the IPC field projects as constructive and positive ways of implementing difficult policies, especially the emphasis on involvement of those impacted by the change. But most did not consciously relate the various elements of SM to a coherent sequence of steps that constituted a broad strategy of management.

Among those who were familiar with the SM framework, the general view was that it had substantial applicability to the difficult task of implementing policy change, provided it was not applied in too formal a manner. A rigid or "theological" approach would be counterproductive in the minds of the people we interviewed. This brings to mind the caution of Louise White, in her paper underpinning the project design, that SM not be regarded as a

specific "recipe".

Of the different elements of SM we found to be utilized in the IPC field projects, the involvement of the implementors and the other stakeholders in planning and executing the implementation stood out far above the rest in the minds of those we interviewed as being critical to success. When done skillfully, this involvement encompassed a number of the various steps or tasks typically found in SM even though the elements were not necessarily organized or formally articulated in a structured SM plan per se. In several instances, however, the attention given to these tasks was less than the Team thought desirable.

Considerable care seems to have been taken to first ensure that the proposed change had been clearly decided by the host country decision makers, and that they had expressed their intention to proceed. Therefore, the question for the IPC consultants was not "whether" to proceed with a particular policy change, but "how".

The emphasis placed on stakeholder involvement in the early stages of the field projects paid strong dividends in developing support for the policy changes among those to be impacted by the changes. The IPC teams have been sensitive to the difference between merely informing stakeholders of actions to be taken and providing them with an opportunity to actively participate in working out those actions that will be most effective in bringing about the intended change.

Skillful IPC involvement of the impacted groups at an early stage has produced several critical results. First, involvement was the ideal way in which to develop an understanding of the policy change. Second, involvement introduced practical considerations which made the implementation more realistic in approach, thereby enhancing chances of success. Third, involvement greatly increased the stakeholder's sense of ownership in the policy to be implemented, resulting in increased support for the policy.

This sense of ownership is in sharp contrast to many earlier approaches to macroeconomic reforms seen by members of the Evaluation Team in which A.I.D. was perceived as joining with the IMF and the World Bank in virtually forcing countries to accept unpopular conditionalities which the host countries found demeaning, having been designed by donor technicians from other countries who did not understand their problems or their social and political environment. The Jamaicans, in particular, made this point during our discussions.

Implementation problems which emerged from such donor dominated approaches were then often seized upon as reasons for backing away from needed reforms in the face of public criticism, unnecessarily limiting donor effectiveness in influencing host country commitment to badly needed reforms. The IPC approach virtually eliminated this problem in the policy change field projects visited by the Team.

This IPC stakeholder concept was also used effectively to clarify roles of individuals and organizations involved in the implementation of the change. In Jamaica the blurred vision of

organization roles was a major issue which constituted one of the major reasons USAID looked to the IPC Project for assistance. The results were very good in terms of establishing clearer roles and how each will relate with each other. When future issues arise, no doubt there will be need for further role defining, but the groundwork has been laid well.

Care will have to be taken, however, that preoccupation with this important ownership feature of IPC does not result in other elements of SM being lost sight of. In at least one instance, enthusiasm over the success of involvement of the stakeholders in developing support for policy change has lulled IPC participants into complacency regarding such important areas as monitoring and the building of sustainability. In such cases, IPC success could be short lived.

Stakeholder involvement is not a new concept to A.I.D. since it has been used for years in certain areas such as rural development. Its application has been very limited, however, with respect to implementation of macroeconomic policy changes needed for broad based economic growth and not too well utilized in other fields of complex policy changes involving conflicting interests. IPC has provided some resources and a source of encouragement and guidance that has given new prominence and a much deeper understanding of this philosophy where IPC field projects have been underway. Its value has been more clearly demonstrated through IPC.

Workshops were often cited as a key device through which stockholder involvement was made meaningful. Contributing to their success was the fact that a great deal of groundwork was laid before the workshops took place. USAID and IPC individuals had already discussed with workshop participants, for example, the major issues and challenges that would be explored in the workshop. The two-day Jamaican workshop resulted in useful findings of the working groups on benefits and concerns associated with the contemplated change. There was a good report from each group on roles and responsibilities for each of the principal implementing organizations. On the downside, the action plan developed at the workshop has suffered from inexperienced ministry personnel having unrealistic expectations and from slow responses by the leadership. A brief description of the Jamaica field project and workshop is included as Appendix H-3.

Objectives and Indicators. In general, the field projects were somewhat lacking in establishing clear indicators against which USAID and the host country could monitor progress and evaluate results. The IPC activity with the "Support For Development II Project" in the Philippines is a noteworthy exception and the logical framework and indicators developed by IPC consultants for monitoring policy changes are a potential model for other field projects. (See Appendix I of this report.) In saying this, however, we would caution that a process type of project such as IPC is not susceptible to a number of precise indicators that are appropriate for many other types of projects. In fact, overemphasis on detailed targets can lead to excessive pressures to meet unrealistic dates and reduce the development of a host country sense of ownership in the policies being implemented, especially if they are

interpreted as measures rather than indicators. Too much detail in the formal documents also discourages the flexibility needed to meet unforeseen developments and changing conditions. It discourages creativity and innovation in finding better ways of achieving program goals as the project progresses.

Nevertheless, without adequate objectives and indicators, a process project can easily survive until funding is gone without having helped organizations advance toward their missions. It may also wander from its broad goals and fail to have the intended impact. Clearer objectives and indicators against which to assess progress should be set in several of the field projects, and more attention given to establishing and maintaining sound schedules, while at the same time avoiding undue rigidity and the quantifying of objectives not well adapted to such an approach.

Recommendation. Greater emphasis should be given to ensuring that field project objectives are sufficiently clear, and indicators are adequately developed and well understood, to enable both the Mission and the host country to track progress and evaluate the results.

Effectiveness of Consultants. The IPC consultants were given high praise from those involved in the field projects we visited. Their technical competence was uniformly high, they have worked hard, and they are experienced. Equally important, they brought to each intervention an interpersonal consulting skill and appreciation of the context that enabled them to elicit the host country involvement inherent in the IPC approach. By providing both substantive and process contributions, they gained the respect of their counterparts and have been well accepted by the host country organizations with which they were working. Ministry personnel contrasted them with the more superficial quick in-and-out approach of consultants in a number of non-A.I.D. projects. Questionnaire responses from Missions not visited indicated (with one exception) a similar view of the effectiveness of these consultants.

The IPC consultants with whom we met are strong supporters of the IPC philosophy and willing to invest a great deal of effort in its successful application.

The high quality of the consultants reflected well on A.I.D., and in the case of Jamaica, people spoke rather strongly about the U.S. approach being far more effective than that of the international organizations, particularly IMF and the World Bank. These Jamaican accolades are particularly significant because in the past the United States has been urging difficult, and often unpopular, economic stabilization measures. In fact, several Jamaicans expressed considerable concern that a World Bank public sector project now under consideration would unintentionally undermine the gains realized through IPC because the Bank is viewed as more directive in its approach and does not monitor nearly as effectively as does A.I.D.

MSI and its partners, Abt, DAI and IDMC, should be congratulated for the quality of the individuals they assigned to the IPC field projects. In a few instances it has been difficult to locate just the right skill and experience for certain highly specialized roles, but the

contractors have resisted the temptation to quickly send less than highly qualified people because of pressures of time.

Sustainability. Sustainability has always been a difficult challenge for A.I.D. and other donors. With agency funding declining, the importance of benefiting from the investment being made in IPC increases. In fact, further funding for the IPC program would be difficult to justify if measures toward sustainability were not given high priority. The Team found that the level of attention paid to sustainability of IPC concepts has not been adequate. There seems to be a rather general assumption among some of the Mission and host country personnel that success in gaining a sense of ownership in the policy changes will go a long way toward ensuring that the IPC approach will last. This important step will certainly help, but it is not sufficient. Ironically, the Team saw indications that the IPC Project may have some difficulty overcoming the long-standing A.I.D. problem of giving substantially greater emphasis to the early design stages of an activity than its implementation.

The message concerning the later stages of implementation, such as monitoring, assessments, and midterm adjustments, is not as loud and clear as it is for the first steps. The Team sees this not so much an omission in the intent of the IPC Project as it is an early warning of a need for greater implementation emphasis as IPC moves forward. The Project design contemplates a good balance between design and implementation, but the Project is moving upstream against an A.I.D. culture that highlights design, and IPC needs to place even greater stress on its own implementation.

Several steps deserve emphasis to increase chances that IPC's approaches to implementation survive:

- **Integration of IPC's Approaches.** It will be extremely difficult for the IPC approaches to survive the eventual end of special IPC funding unless they become accepted as a way of life in managing difficult policy changes involving a variety of stakeholders with conflicting agendas. The lessons learned from IPC, the techniques successfully applied, and the support for the approaches are likely to gradually fade from view if regarded as highly specialized concepts and techniques reserved for only occasional application when special Washington funds and a team of experts are available.

There needs to be considerable strengthening of Mission capabilities to continue the IPC approaches. USAID staffing levels, however, may not permit hiring specialists for this purpose. Even if they did, the best solution is to regard the current IPC field projects as pilot projects that are demonstrating feasibility and, with some modification, will lead to the concepts being incorporated in the Mission's way of doing business.

Recommendation. IPC's application of SM concepts should be adapted for integration into the way in which USAID project managers approach implementation of all

complex policy changes. Plans need to be laid this year for fitting IPC concepts into the fabric of ongoing Mission policy projects and made a part of every policy manager's continuing responsibilities. It is suggested that a task force including both Washington and Mission personnel develop recommendations on how this might best be done. Strong supporting signals from A.I.D. central and Bureau leadership also will be required.

- **Replication.** A closely related characteristic which contributes heavily to sustainability, is the extent to which the IPC concepts can be easily adapted to other policy implementation projects with diverse circumstances in additional countries. It may still be too early to extend IPC to additional A.I.D. countries, but it is not too early to begin applying them to other policy implementation activities in Missions which now have IPC field projects.

IPC resources have provided an opportunity to do things not usually within reach, and one Mission believes that caution is called for to make sure that host countries not get the idea that SM is applicable only if funds are plentiful for teams of consultants for many months and large scale workshops. Although there will continue to be occasions when large-scale implementations justify such applications, the budget crunches are now so severe that there will be considerable need for less expensive field projects in order for the IPC program to be sustained. This will be especially true after the concept has once been successfully demonstrated in a country.

Although the Evaluation Team is very positive about the IPC approach and its initial level of success, we believe its justification for future funding depends in substantial measure upon the extent to which the concept is not only sustained in existing and planned IPC field projects, but can be extended to other areas of policy change.

Recommendation. It is recommended that the IPC program be given the necessary A.I.D. policy support to extend the pilot operations to other countries in which difficult policy changes are contemplated. Of special significance are Eastern Europe and NIS, which are addressed separately at the end of this report.

- **Monitoring.** Effective implementation of any project or program requires effective monitoring, an element of SM in which the Team found performance to be uneven. In one Mission which has experienced a very successful first phase of an IPC field project, we nonetheless found minimal evidence of provision for future project monitoring. It is noted that one of the SM frameworks often cited for guidance suggests only the "design" of a process for monitoring as the last step in SM. Certainly the act of monitoring is implied, not just the design, and some IPC monitoring is well underway, but its importance has not been stressed.

Recommendation. It is suggested that R&D/EID take steps to reemphasize to those responsible for IPC field project implementation in the Missions the necessity for

Mission monitoring of IPC field projects and timely mid-course adjustments where needed. Adequate field monitoring by both Missions and host countries will need better indicators of progress, a problem addressed elsewhere in this report.

- **Donor Reinforcement.** A.I.D. is no longer the dominant donor in an increasing number of countries around the world. As this trend unfolds, there will be a decline in the ability of A.I.D. to have a lasting impact on the internal processes designed to improve the capacity of such countries for economic and political reform. Reinforcing actions by other donors can help offset this loss of positive United States influence.

Some years ago A.I.D. sponsored a series of workshops on project management that involved The World Bank, OAS, UNDP, IDB, and IMF. They were arranged and conducted by the American Consortium for International Public Administration (ACIPA), of which A.I.D. has been a sponsor. In the late 1980's the LAC Bureau established an ongoing exchange with these donors, plus several other government agencies, in the field of financial management. As a consequence, A.I.D. has had some favorable experience with donor cooperation on management approaches. It should also be noted that the DAC Expert Group on Evaluation has been reviewing programs promoting participatory development and good government. Some materials relevant to IPC may emerge from this effort.

Recommendation. It is recommended that A.I.D. develop an inter-donor dialogue in Washington and the Missions where IPC is involved at some stage to foster greater recognition of the use of IPC techniques of policy implementation, including efforts to involve one or more other donors in funding future policy change field projects which they support.

- **Need for Cadre.** To the extent utilization of the IPC approach is broadened in the future, the need for people qualified in SM techniques will grow. Development of this expertise within the host countries is especially critical for sustainability. The Project design recognized this future need and contemplated the development of a cadre that can help provide these professional resources. IPC has generally been successful in ensuring that at least one host country consultant is on each IPC field team, which is a good beginning.

IPC contractors have developed a small cadre of excellent individuals that has served the initial field projects extremely well. However, the Team did not find evidence that either the Regional Bureaus or the Missions have yet made much progress in developing concrete plans for training additional specialist cadre. This may be because the uncertainty of future A.I.D. budgets has not been conducive to efforts that look to future steps. In addition to further cadre development, the Team believes greater attention should be given to training both A.I.D. staff and host country officials in the management of policy change generally, regardless of the ultimate fate of IPC as a formal program and regardless of the extent of budget cutting. Effective

implementation of policies is not a luxury to be pursued only when ample funds are available.

Recommendation. Renewed efforts need to be given by A.I.D. and MSI over the next two years to enlarge the cadre enough to support the addition of other IPC field projects in countries where IPC is already active and replication of IPC field projects in other countries. Continued emphasis on recruiting and developing host country cadre will be vital.

- **Government Institutional Change.** Several interviewees believed that building new host country organizational or procedural arrangements into the field projects to better ensure sustainability of IPC-supported policy implementation reforms will tend to be artificial add-ons and not likely to be effective in sustaining policy changes in the long run. The Evaluation Team does not agree, although admittedly there is a danger of this happening in the absence of good management. The Team believes that new organizations should not be encouraged where there are existing ones that appear to have the capacity to change sufficiently.
- **Difficulty of Institutional Change Underestimated.** Although fully recognized by R&D/EID, the general donor environment has difficulty appreciating the time and effort it takes for institutional changes within the host country that are generally required for major policy change. IPC is struggling to overcome this handicap.

Once a water system is reengineered or replaced, for example, the hardware will sustain the new design, but in the case of revitalizing organizations, considerable time and care must be taken to reorient both the thinking and the practices of people. Conventional wisdom tells us that relying primarily on directives to bring about such changes does not result in anything that lasts. It takes time to build credibility and earn the trust of host country personnel. It takes time and facilitating skills to help the client think through the best way to accomplish desired changes. And once the initial institutional changes needed to implement a new policy have been accomplished, further time nurturing the new ways of doing business is required for them to become institutionalized. This does not occur in six months.

Institutional strengthening efforts are also more complex than hardware projects, and the results are more difficult to measure. As a result, without help in building host country institutional capability, it is unrealistic to expect host countries with little experience in using SM approaches to continue with IPC concepts very long after A.I.D. funding is no longer available to field the special teams of highly trained experts utilized in the pilot projects. Yet not much has yet been done in the field projects reviewed by the Evaluation Team, in part because of the paucity of institutions on which to build and in part because of the cost of establishing new ones or strengthening existing ones. The IPC budget is not adequately funded to do what is needed for institutionalization, in respect to both the host country organizations that

are tasked with carrying out policy reforms and the indigenous resource institutions from which they might turn for expertise. The latter are addressed in the following section. Of course, the consequences of this issue extend well beyond IPC.

B. RESOURCE INSTITUTIONAL STRENGTHENING

1. Overview

The Project Paper envisaged a variety of activities concerned with strengthening the capacity of management resource institutions, mainly institutes and universities, in developing countries. The principal one was a small program of grants which were anticipated to be funded by R&D/EID, Missions and Regional Bureaus. These capacity-building grants, which might be made directly to LDC-based institutions, or to a U.S. institution collaborating with an LDC counterpart, were envisaged as supporting research focussed on critical policy implementation issues in the host country or region. It was also anticipated that these institutions would assist in technical cooperation efforts and provide training financed by IPC.

2. Findings

This component of the Project has suffered from the lack of funding available for the research grants program as well as from administrative difficulties cited by the contractor in subcontracting technical assistance activities to host country institutions. In one or two cases, host country specialists based in resource institutions have been employed as individual consultants on IPC teams. Nonetheless, the absence of significant progress to date on this component has not been a major impediment to achieving IPC's objectives.

Recommendation. During the final two years of Phase I, the Team recommends that renewed efforts be made to involve host country resource institutions in IPC technical cooperation activities, such as workshops or in-country research.

Recommendation. Even if it were desirable, IPC resources do not permit building new institutions, but immediate attention should be given to locating host country institutions with potential for developing a capacity for the basics of at least the key characteristics of SM. The search should include government, non-profit and for-profit organizations. Even the least developed countries generally have at least one organization with enough management expertise on which to build these basics, provided some type of linkage can be established with an institution outside the country which can provide a continuing flow of information and access to advice from time to time over two or three years. In those instances where this minimum capability does not exist, IPC concepts will have great difficulty surviving.

Recommendation. In planning for Phase II of IPC, the Team recommends that R&D/EID, with assistance from the present contractor, identify management resource

institutions in a selection of countries where technical cooperation activities have been conducted, and explore whether and in what way a small grant program under IPC as originally envisaged in the Project Paper might advance the Project objectives.

C. RESEARCH

1. Overview

The IPC Project Paper states that the research conducted under this Project is to "demonstrate that adoption of the framework and learning process for strategic management significantly improves policy implementation effectiveness in different subject areas and geographic and cultural contexts." In addition, the paper differentiates four kinds of applied research to be conducted: action, comparative, applied, and adaptive. Specific kinds of research products are also anticipated in the Project Paper. These include: case studies on each long-term technical cooperation engagement; a comparative study which is based on the country case studies; five theme papers or monographs, annotated bibliographies, and other applied research to support technical cooperation activities.

2. Findings

Several built-in constraints must be acknowledged regarding the implementation of the research agenda of this project. First, it is inevitable that, to some extent, the research and the ability to capture lessons from field experience is shaped by the nature of the particular buy-in activity of the Project. Secondly, there are inevitable pressures to let research activities slide somewhat when buy-in timetable pressures require key Project staff doing research to become part of a technical cooperation assignment. A third consideration is that some of the buy-in activity in the early stages of a project of this sort (no matter how carefully controlled) may ultimately provide little or no input for the research agenda. Sometimes this does not become apparent until the buy-in is already underway. In other cases, where a follow on activity has been anticipated which might enable some useful research to be carried out, the activity may, for unforeseen reasons, not continue (e.g. Haiti). Finally, it has to be acknowledged that effective consultants are not always effective researchers. In fact, finding both sets of skills in the same individual is not common. The IPC Project has a number of people on its team who can do both well, but given the pressures of the buy-in activities, it is difficult to quickly cross over from consultant to researcher mode at any given time. Despite these constraints, however, the contractor has made considerable progress on its research agenda and has produced a number of useful research publications to date. Specific findings with the regard to the research component of the Project are noted below.

Developing and implementing a research implementation strategy. To date, considerable progress has been made by the contractor team in developing a research plan of action. Work in this area is reflected in a series of internal memos and meetings which have been held in

the first few years of the Project to develop consensus within the contractor consortium on the specific research agenda, the nature of the research products to be produced, strategies for carrying out the agenda, topics of various research publications, and assignments and time tables for completing the agenda. Of particular importance to the larger research objective of the Project has been the development of a data collection protocol which is intended to guide information collection, learning, and project monitoring for activities carried out at each technical cooperation site. Country files have also been set up to store this protocol information and other notes and ideas which offer research potential. Originally, this information had been expected to feed into annual field reports on long-term technical cooperation sites, and provide input to the comparative research studies and research theme papers. The idea of preparing annual country reports has since been dropped to allow more time for the other research writing.

The Evaluation Team's view is that, to date, the IPC contractor team has done an excellent overall job in developing its research strategy and in initiating the steps required to move the agenda forward. However, this is a very ambitious agenda and it is evident that continuing pressures on key research staff to join buy-in activities is causing some slippage. In this connection, we note that in the first two years of the Project only 50% of the money budgeted for research was actually spent on this activity.

In reviewing the Project Paper budget plan, it can be noted that a fairly steady allocation of funds was projected on an annual basis throughout the first five years of the Project. In retrospect, it might have been more appropriate to plan the budget to provide an increasing amount of money in the latter years (from the third year onward) since this is the period when the field experience would begin to provide the anticipated basis for preparing the country case study material and comparative analysis across countries. Although this phasing was actually recognized during implementation and is reflected in MSI's work plans, even these plans overestimated research expenditures in the first two years.

Recommendation. The contractor team leadership and A.I.D. Project Officer should exercise strong direction to ensure that key researchers involved in the Project can be relieved of some of their buy-in and other project management responsibilities in the next two years of the Project to ensure that the research agenda is accomplished. If any adjustments have to be made in the agenda, due to funding or other constraints, top priority should be given to the country case experience. This would provide the Project with the necessary resources to draw from its field experience to develop useful publications which capture lessons learned and to respond to the key questions concerning the sustainability of SM approaches to policy implementation.

Research publications produced to date. As of the end of the third year of IPC, thirteen publications have been completed and distributed. One of them (IPC Working Paper No. 1) has also been published in an international journal. A number of other publications are also in process or in draft form. A complete list of publications is shown in Appendix F. As can

be seen, the categories of products produced have gone beyond those listed in the Project Paper to include a number of working papers, technical notes and research notes. These additional publications have been prepared by the contractor to:

- Provide useful tool-oriented material for the cadre development process;
- Be distributed and used in training and workshop sessions overseas;
- Help communicate and clarify some of the key concepts in reconnaissance and marketing of the Project; and
- Be used to demonstrate visible progress in this component of the Project.

In reviewing the documents published and distributed to date, the Evaluation Team has been impressed by the quality, content, and readability of the publications. IPC consultants have referred to the technical and research notes in preparing for IPC interventions and have in most instances indicated that they found these to be helpful references in planning their consultations. In an E-Mail questionnaire sent to USAID Missions, seven of eleven respondents indicated having seen the IPC publications, and their individual comments on the usefulness of the publications were very positive. However, almost none of the A.I.D. personnel interviewed by the evaluation team, either in Washington and in Missions, said that they had read or scanned any of these publications.

It should be noted that two of the publications were prepared for the Africa Bureau through a buy-in, and concerned implementing natural resources management policy in Africa.

In sum, those who have had the opportunity to read them indicate a very favorable view of the quality and readability of the various publications produced to date.

Recommendation. In terms of research emphasis from this point forward, given the phase the Project is entering, there should be a clear shift away from further work on technical notes, research notes, and working papers (with the exception of a few which are currently either in process or about to be started), and instead concentrate research attention on the theme papers and continued collection and development of the country level baseline data required to enable completion of research which deals with the larger question of the utility and applicability of a SM approach to policy implementation. To the extent possible, such papers should try to generalize beyond specific country experience and include in the concluding sections a discussion of implications for managers responsible for policy implementation.

Recommendation. The Team fully supports the intention indicated in the FY 93 work plan to limit the number of cases where the protocol is applied and to pay more in-depth attention to analysis of the process dimension of the SM approach used in the IPC Project. This area has not been well documented in the literature and IPC could

well bring substantial insight into the utility of the process approach and how to make it work effectively for implementing policy.

Recommendation. The Team also strongly supports the contractor's intention to designate one of the lead consultants from each long-term country intervention to provide research input at key points along the way (perhaps on a semi-annual basis, or after each recurrent short-term intervention) so that the country experience can be fed into the theme papers. To make sure that this can happen, every effort should be made to build in 1-2 days of core funding at the end of each short-term intervention so that the consultant can count on having this time to provide this critical input to the research agenda.

Future research agenda. The current strategy for the next phase of the Project gives primary attention to the preparation of theme papers, and four of the five theme papers have been assigned to lead individuals. A critical challenge facing the Project, however, is to be able to carry out this agenda within the time, financial, and human resource constraints which confront the Project.

As noted in the contractor work plan for FY 93, resources have been indicated as a very likely constraint in carrying out the full research agenda. This will be a particular problem for some of the theme papers which involve personnel who are not normally responsible for research activities in the Project. Hence, more funds would have to be allocated to ensure that they have sufficient time to meet their deadlines. It may also be the case that the contractor has underestimated the amount of time and financial resources it would wish to allocate to this activity.

Recommendation. If the Project is able to secure the necessary resources to complete the research agenda as currently indicated in the FY 93 work plan, the Evaluation Team would support the focus and priorities which have been established. However, it is our view that the IPC contractor consortium must be prepared to establish priorities among the theme papers in the event that funding is less than originally anticipated. The most important priorities should remain the collection, analysis and reporting of the in-depth country experience so that the lessons of these buy-in experiences can be captured for A.I.D. and the larger development community. At the same time the theme paper currently titled "Strategic management: technology transfer and applications" is key to learning from the experience of this project. The remaining theme paper topics all seem well chosen and should be carried out to the extent resources are available. However, if further prioritization has to be made, it is essential to retain quality for whatever is produced, rather than producing a larger number of less useful publications. Thus, the Project will have to consider reducing the total number of theme papers if funding becomes a constraint.

Recommendation. While recognizing that the contractor will have a heavy research agenda in the next years, as noted above, the Evaluation Team recommends that in

the final months of Phase I of the project, the contractor develop some practical guidance or guidelines (along the lines of the Technical Note on stakeholder analysis) which could be referred to by LDC managers and A.I.D. project managers in analyzing policy implementation problems and developing plans to carry out and monitor policy implementation action plans. Such guidance would be drawn from the country case experience but could be distributed separately to practitioners struggling with the challenge of planning and implementing policy change.

Recommendation. To ensure the utility of the research products to practitioners and academics, serious consideration should be given to establishing a more systematic peer review/consultation process for research in progress and to provide input into draft research publications. Members of the Development Management Network and the Section on Comparative and International Administration of ASPA might be likely resources to assist in this process.

Distribution. One of the important areas which appears not to have been addressed yet is the distribution and dissemination of research publications to LDC management training institutions. This target group could greatly benefit from systematic sharing of research information. (See the Dissemination Section.)

Recommendation. The contractor should begin to document the distribution and dissemination of its research products more extensively. This involves some administrative costs, but if carefully planned at the time mailings and distributions occur, the Project will be in a much better position than currently to report and get feedback on its research publications.

Recommendation. As suggested in the Dissemination Section, the Team would support the possibility of tapping the facilities of a local Washington area university which might be willing to organize low cost mechanisms (e.g., occasional half day seminars and workshops) in the next two years (particularly the last year of the Project) to bring together A.I.D. officials, other locally based donor officials and other interested professionals to examine the experience of policy implementation - drawing on IPC's experience as a reference point, but not limiting discussion to IPC activities. The Washington D.C. chapter of SID might also play a role in such activities.

Recommendation. To the extent funds are available, the Project should more thoroughly explore joint/collaborative research with LDC management training institutions in the future. Research grants to LDC training and research institutions were, in fact, anticipated in the Project Paper. These grants were to be handled outside the terms of reference of the contractor, but to date nothing has taken place in this area. Such grants could be used to track in-country implementation of the IPC Project and would contribute to local institution capacity building and strengthening.

D. NETWORKING

1. Overview

As envisaged in the Project Paper, regional networks were to be constituted to promote the exchange of information and experience and build collaborative relationships among responsible policy managers and professional resource people. One means to this end was to be annual workshops and conferences to share experience among participants from a single region. In addition, IPC was expected to use existing networks of development management specialists, such as the Development Management Network, supported under the predecessor project, the annual meetings of IASIA, etc. Locally sponsored regional newsletters were also envisioned to disseminate policy implementation experience.

2. Findings

In practice, IPC has engaged in a wide variety of networking activities. These have included workshops and conferences such as the following:

- Participation of IPC staff in the IIAS/AAPAM workshop on "Capacity Building for Policy Change," held in Tanzania in June 1991. This involvement led to involvement in other IIAS meetings, as noted below.
- Co-sponsorship of a workshop on structural adjustment in the public sector of West Africa at the AAPAM/IIAS conference in Dakar, November 1991. This conference generated contacts later involved in the West African Private Sector Network (see below).
- Sponsorship of a regional workshop on the strategic management of trade and export development in Ghana, with the participation of private and public sector leaders, in September 1992.
- Participation of IPC staff in the IIAS July 1992 conference in Vienna, a planning workshop in 1992 in Caracas, and the IIAS World Conference in Toluca, Mexico, in 1993.
- Participation in the annual workshop of the Development Management Network held in 1990, 1991, 1992, and 1993 in conjunction with the ASPA Annual Convention.

Despite IPC's significant involvement, it is difficult to ascertain the full extent and results of its networking activities. For example, several mentions are made in IPC documents of in-country network development intentions, but little documentation exists concerning the specifics of these efforts, either plans or accomplishments. Although it was mentioned in

both the FY 91 workplan and the progress reporting section of the FY 92 workplan, a proposed networking plan apparently was never completed by the contractor.

Expenditures of core AFR funding on networking during FY 1991 and 1992 lagged significantly behind budgets in MSI's annual workplans. A number of planned activities in Africa could not come to fruition, including a regional seminar of implementors and resource specialists, to a considerable extent because of the ban on travel prevailing during early 1991 due to the Gulf War.

A major and apparently successful networking activity, the West African Enterprise Network, has been funded by an AFR/ONI OYB transfer to the IPC Project. This initiative grew out of activities sponsored by USAID, the Club du Sahel, CILSS, and others. IPC was requested to provide technical assistance to help create and support a private sector network in West Africa which would enable and influence the formulation and implementation of policy that promotes the contributing role of the private sector in development. Two Evaluation Team members attended a debriefing by MSI's Debbie Orsini in September 1993 on this effort, at which impressive results were reported (see Appendix J). Local business owners in the region are committing personal and business funds to attend networking meetings and plan further activities.

Recommendation: The contractor should proceed with preparation of its networking plan and develop indicators of implementation of this component of the Project against which progress can be measured during the final two years of Phase I of IPC. Special attention should be given to networking activities supported with core funds.

E. DISSEMINATION

1. Overview

Dissemination in the Project Paper was linked with Networking, but in the work plans of the contractor has been broken out as a separate activity.

The Project Paper did not require much dissemination of IPC information during the first two years of the program and it has been quite limited thus far, particularly in the field. It should be noted that the need to now increase dissemination is recognized by both MSI and R&D/EID Washington.

2. Findings

Several groups of excellent documents have been prepared for distribution by the IPC contractors. In addition to the IPC Brochure to acquaint people with the program, documents included IPC Working Papers, IPC Technical Notes and IPC Research Notes (discussed in the Research portion of this report). An IPC Fact Sheet also has been prepared to complement the Brochure.

Early Dissemination. MSI has taken advantage of several large professional organization conferences, including the provision of strong leadership at two national conferences of the American Society of Public Administration, to acquaint people outside A.I.D. who are involved in development administration with IPC activities and elicit comment from development professionals. This effort, while limited, has been very good.

Dissemination within A.I.D. and among contractor personnel, also has been quite limited. Until recently, there was a view that there was not yet much to disseminate in the initial stages of IPC. In a sense this has been true, but the contractors have produced material during the first three years that warranted more dissemination than occurred. This material could have included some early research materials developed by the contractors as well as more information within A.I.D. channels concerning IPC and how it might be utilized in policy change projects in other countries now in the planning stage.

In any event, the IPC field projects have now progressed to the point that more dissemination within A.I.D. is needed. Some of the host country personnel involved in designing and executing similar projects told the Team that information related to other IPC field projects being developed would have been useful. If plans for dissemination are deferred until there are completed field projects to report, opportunities for exchange of experiences in the early stages of the field projects are lost.

Recommendation. Begin dissemination of information and exchange of Project experiences at an earlier stage of field project development, especially for Missions or regions with little or no IPC experience.

Informal Dissemination. The Evaluation Team agrees that only limited formal dissemination was feasible at the initial stages of the Project, but we believe greater thought could have been given to sharing of plans and activities with others in A.I.D. on an informal basis throughout the project life cycle, especially at the Mission level. When dissemination of information is envisaged as something that is largely confined to formal publications, many opportunities are lost.

Recommendation. Greater emphasis should be given to informal dissemination of IPC information, especially at the Mission level. There are numerous opportunities that are not labor intensive, such as staff meetings, where the more significant developments in the application of SM in their day-to-day work can be mentioned and Mission Directors can provide encouragement. On occasion, it would be useful to schedule special Mission meetings at which field project directors can exchange information on policy implementation problems and progress with emphasis on management techniques, including but not limited to SM and use of logical frameworks, such as that developed by IPC for the SDP II in the Philippines (see Appendix I.

Mission Focus. The Evaluation Team is particularly concerned about the importance of

dissemination at the Mission level. In a small Mission, such as in Guinea Bissau, this has not been an issue. However, in some other instances it would appear that information was not disseminated beyond the USAID field project director.

Recommendation. Greater attention should be given by IPC to the information role of the A.I.D. Missions and the opportunities at the field level for dissemination (a) within the A.I.D. Missions, (b) with the host country personnel, and (c) with the operating levels of other donors in the host countries.

Other Donors. The Evaluation Team recognizes that there was almost nothing appropriate for dissemination among other donors at the initial phases of IPC, but we believe greater thought could have been given to the sharing of even the early plans and activities with other donors at the Mission level as field projects got underway. There were some instances found where some outreach took place at the outset, but rarely did it continue.

An exception was the early discussions with UNDP in Jamaica which resulted in UNDP providing funding and policy support for the Mission's fiscal policy project. The UNDP is deeply concerned with public management issues and in several countries, such as China, has provided effective support for modernizing implementation techniques. The World Bank also is beginning to give greater attention to this area.

Recommendation. Increased efforts should be given to early discussion and dissemination of information among other donors with the hope of enlisting their support for IPC concepts as discussed earlier in this report.

University Support. A.I.D. and MSI should explore further the possibility of a university or other institutional linkage that could facilitate information exchange and workshops on the viability of various approaches to IPC. If funding were available, a university could be useful to facilitate research and dissemination. Care would have to be taken that it was not given a role that would make the results too academic. To avoid this problem, and because resources will be limited, a contract is suggested that would simply provide services as required, such as hosting workshops, rather than supporting an integral part of the institution.

One important means of dissemination within A.I.D. and to the development community is CDIE's Development Information Service. A print-out of IPC holdings in DIS found that many, but not all, IPC reports and research products are held in their collection.

Recommendation. The R&D/EID Project Officer and contractor should review CDIE holdings and determine which additional documents should be added to the collection.

F. PROJECT MANAGEMENT

R&D/EID has provided excellent management and technical support to IPC. It has skillfully combined a service-to-the-field attitude with a leadership role which has remained insistent on the basic IPC concepts but very flexible in permitting a variety of approaches to their application, recognizing the need for tailoring to the individual circumstances of each country.

IPC has had to struggle against a great deal of indifference within A.I.D., with the exception of the Africa Bureau and R&D/EID. For this reason it is especially noteworthy that IPC has generated strong field support, as evidenced by respondents and the high level of buy-in activities.

R&D/EID Staffing. R&D/EID has met the PP plan of providing two staff, one direct hire and one RSSA, for IPC management and technical support activities. Although neither actually works full-time on IPC, they have done an exceptional job in carrying out the difficult task of managing this R&D project. Jeanne North, the direct-hire project manager, currently is employed 80% time, wholly devoted to IPC. The RSSA specialist, Pat Isman, in addition to her primary IPC assignment, is occasionally loaned to other Bureaus to facilitate meetings and workshops. The Team believes the current level of professional management and technical support, about 1.7 FTE, is justified during the initial phase of a project as complex and innovative as IPC. The Team noted that these two professional staff appear overburdened with administrative support tasks that could be assigned to a part-time administrative assistant.

The IPC concept is looked upon favorably by those who know it, but it has no constituency for funding support such as exists for agriculture, health, education, etc. Therefore, its location in the new Global Programs Bureau where its future can be ensured is a matter of concern to the IPC supporters in the Missions.

Recommendation. As with other A.I.D. activities, the IPC program must have a recognized home in Washington to provide policy guidance and program monitoring. (Field project monitoring should be done primarily in the Missions.) This home should be in the Global Programs Bureau, preferably in the unit that has responsibility for democratic initiatives and governance functions. This location is recommended because it will be concerned with the government's role and its relationship with nongovernmental organizations in virtually every policy area of concern to A.I.D..

Administrative Constraints. A.I.D. has complex administrative systems, many deriving from government-wide policies and procedures designed for domestic agencies that function in a very different environment. Their implementation in a far flung agency responding to diverse and changing country environments as well as a variety of Washington policy directions, frequently constrain administrative operations of A.I.D. projects.

This administrative red tape places a special burden on new and innovative programs, such as IPC, which have not yet developed routinized processes.

The fact that R&D Washington absorbed many of the procedural problems in the early operation of IPC should not obscure the fact that there are some administrative matters that merit attention. The most common difficulty the team encountered was delays in processing personnel, both U.S. and foreign nationals, for the field projects. It appears to us that there is no single bottleneck in the process, but rather the common A.I.D. difficulty of handling administrative actions that are new and not yet in the mainstream of program activities.

There is uncertainty, for example, with respect to how to handle salaries for highly qualified foreign national consultants. On the one hand, A.I.D. is often pressured to pay peak levels that may have been paid a consultant on other assignments for the IMF or multinational corporations. This is unrealistic. On the other hand, the combination of technical and interpersonal skills often required of IPC personnel, who will be assisting ministers to sponsor and lead unpopular policy changes, requires salaries that are substantial. IPC suffers from a long standing problem in that Country Compensation Plans are based on the assignments of host country nationals employed by the State Department which do not require the level of expertise or judgment found in many A.I.D. positions. In recent years, however, A.I.D. has negotiated several changes based on specific A.I.D. requirements for positions requiring highly qualified host country nationals.

Exactly what the guidelines are, how to make the most effective legitimate case, and when waivers are justified, are questions for which the answers are not clear to a number of people involved in IPC implementation. There are complaints that papers take too long to move from one desk to another, suggesting that workloads are too heavy, processes too cumbersome, productivity not high, or a combination of these factors.

Recommendation. R&D/EID should review their requirements with the Office of Personnel to determine whether there is justification for asking the State Department to reflect the types of high-level qualifications required by the IPC Project (and possibly others) in Country Compensation Plans.

There are also complaints that, from a process standpoint, each buy-in seems to have to start from scratch rather than there being a simpler task order approach. For the first few field projects this has probably been unavoidable, particularly because of the desirability of preserving flexibility during the pilot phase, but future buy-in activities should be able to better systematize the process.

Quite disturbing is the fact that in at least one Mission people involved in IPC do not believe that the Mission Executive Officer and his staff can be helpful in these matters. Whereas such offices should be looked to for help in expediting administrative processes and giving guidance on how to prepare documents that can elicit quick decisions, they are looked upon as prisoners of a web of procedures that smothers creativity and innovation. Therefore, in

the minds of several people with whom we talked, these offices are to be avoided to the extent possible. One result is that economists and other program specialists are stealing time from their principal assignment to struggle with administrative details with which they are not familiar. Frustrating delays are inevitable.

Recommendation: It is recommended that R&D/EID provide A.I.D.'s liaison group working with the National Performance Review with information on what they regard as the most burdensome administrative red tape constraining IPC Project operations, with a request to include these issues in the current agency program of streamlining agency procedural requirements.

Role of R&D/EID. The Project Paper worked out in considerable detail the respective responsibilities of R&D/EID, the Regional Bureaus, and the Missions managing IPC activities, reflecting considerable sensitivity to the interests, capabilities, and responsibilities of each. In implementing IPC, the R&D/EID Project Manager has worked hard to adhere to the planned distribution of management roles. Serving as the manager of an R&D project such as IPC is an extremely difficult task that requires great interpersonal skill, technical expertise in the substantive area of the project, the ability to grasp the complex contextual circumstances of countries where field activities are being undertaken, mastery of A.I.D. operational processes, and experience in overseeing contractor performance.

The most critical aspect of the R&D project manager role in the case of IPC seems to be the joint management of buy-in technical assistance activities, where the agenda of technical staff in a Mission or A.I.D./W office that is funding a buy-in has to be matched to IPC's agenda, based on the Project Paper and embodied in the contractor's scope of work. The Project Manager must approve the qualifications of the personnel assigned by the contractor, ensure that the work proposed for the buy-in is consistent with the contractor's scope of work and relevant to the larger IPC research agenda and, in cooperation with staff of the Mission, oversee field work closely enough to ensure that it meets the expectations of the Mission and does not drift into activities which would not be appropriate for IPC, in response to immediate field needs. At the same time, she has to attend to a myriad of operational details simply to ensure that implementation of the buy-in activities do not become mired in red-tape either at the Mission or in Washington.

It was to be expected that respondents to the Evaluation Team's inquiries would reflect a wide range of views of how well IPC has been managed from Washington. However, the great majority of respondents, regardless of their location within the A.I.D. system, thought that IPC has been very well managed.

Most Missions have not encountered directly as many administrative constraints in planning and implementing the IPC field projects as the Evaluation Team had anticipated. A major reason for this is that IPC was designed as a collaborative effort with R&D/EID handling a number of project management roles, such as writing or rewriting PIO/Ts and running

interference for the field with various A.I.D./W offices. This arrangement has drawn R&D/EID into administrative details typically handled in the field, but which have been managed with great skill by IPC's managers. This headquarters support has contributed significantly to the early successes of the program.

Some in the Missions thought R&D/EID was too heavily involved in the technical supervision of the program, but most felt deeply indebted for the help. This overall positive attitude toward A.I.D./W management is in contrast to the far more common view that A.I.D./W involvement creates delays and makes life more complicated for the Missions.

The Evaluation Team noted that virtually all buy-ins establish the IPC Project Officer as the technical monitor of the field activity, although also indicating a person or office in the Mission who is responsible for in-country buy-in management. The Team believes that there has been full justification for Washington having been heavily involved in field projects during the initial pilot stage of IPC. Otherwise, it is very unlikely that the project could have moved forward. Further, the Team believes that this pattern will continue to be needed as IPC is extended to other countries and regions, although some process simplification can be expected as a result of early experience. We believe that in the future, arrangements can be modified as they become part of established approaches to policy change management in Missions which have been successful in applying IPC approaches.

As the administrative processes become better established and more routine, and as IPC's concepts and techniques become more widely accepted, there should be a reduced need for Washington involvement in the administration of IPC field projects in Missions with on-going successful IPC projects. Further, it is most unlikely under A.I.D. budget constraints that R&D/EID could add the staff that would be required if IPC were extended to other countries with the same level of Washington staff involvement as in past field projects.

Recommendation. It is recommended that, as the IPC program is extended and institutionalized, significantly more of field project management should be decentralized to those Missions which have had successful IPC field projects. R&D/EID would then continue its current level of involvement for new projects in other countries or regions and would shift its emphasis with respect to Missions with established field projects to policy and oversight.

Contract Management. IPC is implemented almost entirely, with the exception of RSSA costs, through the contract with MSI, which in turn executed subcontracts with IDMC, Abt, and DAI. The core contract, funded by R&D and with other funds transferred from the Africa Bureau, supports agreed upon technical cooperation, research, dissemination, networking, and management activities. A requirements contract, with Delivery Orders, is the instrument for implementing buy-in activities. IDMC was initially delegated primary responsibility for research. With the demise of IDMC, MSI recently assumed direct responsibility for research, although in close coordination with the former IDMC research director, now based at Abt. In addition to this role, MSI provides substantive expertise in

strategic management. Abt's role relates primarily to economic policy, and DAI has also focussed on providing economic policy expertise.

The contractor team agreed upon a budget for core contract activities at the time of submitting its proposal and a tentative allocation of buy-in activities among the team, with Abt and DAI each allocated approximately 15% of all buy-in activities. In practice, because of the nature of the buy-ins, over 25% of buy-in funding has gone to Abt with only about 9% to DAI. Less than 4% of buy-in funding has gone to IDMC and to other subcontractors, including the Harvard Institute for International Development, Thunder and Associates (one of the original proposal partners), and the International Management Development Institute at the University of Pittsburgh (also an proposal partner). There has been one subcontract with an LDC-based organization, the Merchant Bank of Central Africa, for work in Zimbabwe.

MSI manages the contract team through periodic meetings of contractor representatives. Subcontractors and MSI felt that this mechanism kept them informed about IPC activities and provided an opportunity to contribute substantively to the Project. MSI's three partners in IPC are generally satisfied with their respective roles, although DAI expressed some disappointment with not having been called upon more frequently until recently.

Financial Management. Due to the multiple sources of funding, financial management of IPC is rather complex, imposing unusual burdens on the contractors and project managers for record-keeping.

A comparison of IPC planned and actual expenditures through September 30, 1993, are summarized in Appendix G of this report. IPC's ratio of buy-ins to core funding (8:1) is considered by R&D/EID staff to be unusually high, reportedly surpassed only by buy-ins in the long-established health and population fields which have had strong Agency and congressional support. All buy-in funding has been implemented through MSI's requirements contract, as was intended in the PP. No additional mechanisms have been put in place. A financial mechanism anticipated but not well developed in the PP was that of grants outside the technical assistance contract to management development and educational institutions in the U.S. and LDC's for them to conduct low-cost research related to actual implementation efforts. However, due to R&D funding cutbacks, no grants of this type have been made.

Some dissatisfaction exists with the financial reporting provided centrally to R&D/EID. No central report is available to provide Project management with information on obligations and expenditures from all sources, and considerable effort has been required by the RSSA Project manager to track these.

Recommendation: R&D/EID should explore with G Bureau financial management the possibility of obtaining financial reports reflecting expenditures of buy-in funds reported by A.I.D. Missions.

Regional Bureau and Mission Management. It is important in reviewing centrally-initiated projects not to overlook the management responsibilities required of Regional Bureaus and Missions. IPC has entailed significant management tasks for the Africa Bureau, which, due to its high level of core funding, has a major stake in making IPC relevant to Bureau needs. The R&D/EID IPC management team have assisted the Bureau with many of its responsibilities, such as processing documentation for OYB transfers. However, AFR staff have become involved in coordinating regionwide activities, participating in project committee meetings, reviewing annual contractor work plans, attending debriefings, etc. AFR/ARTS appears to be the office most directly impacted by IPC core activity.

Missions also have also played a major role in managing IPC activities. Missions work out plans for implementing IPC activities in country, including any formal agreements required with the host country. PIO/T scopes of work and budgets normally have originated with Mission staff, who have sometimes been drawn into lengthy dialogues with R&D/EID project managers to refine the scopes of work and ensure that they advance IPC's R&D agenda as well as accomplishing the Mission's technical assistance objective. Missions also have principal responsibility for monitoring in-country activities under their buy-ins, although this is shared with R&D/EID. Missions are also involved in processing any waivers of host country national consultant fee ceilings, frequently required to ensure senior host country consultants to work at top government levels.

It is significant that several respondents, while citing the facilitative attitude of the Project managers, nonetheless would prefer to have Mission staff designated in Delivery Orders as the technical monitors.

Reporting. IPC has produced an extensive collection of reports, including trip reports, technical notes, research notes, bibliographies, and many others. The Team had access to these and reviewed many of them in depth. Documentation is generally complete and clear, although the team found that the contractor does not regularly identify on all its formal reports the appropriate contract number, delivery order number and funding office for a particular activity. This sometimes makes it difficult to determine which products resulted from a particular buy-in. Most respondents stated that the reports they received were adequate and timely.

Recommendation. All reports and other products should clearly identify the contract number (requirements or core) Delivery Order Number, if applicable, and funding office.

Cost Containment. Resources were seldom regarded by the Missions as a serious constraint for existing activities, although the Team believes that the overall Project has needed more funding for institutional strengthening. Looking to the future, finding the resources to increase institutional strengthening, increase dissemination of IPC information, and extend the IPC processes to other countries that need the program is of considerable concern. With the future A.I.D. budget in such a difficult state, Missions seem uncertain as to how to plan

for the future.

Recommendation. It is recommended that R&D/EID and the Missions involved in IPC quickly develop ways in which the activities can be continued and extended to other policy areas at low cost. These steps should include (a) better integration within the Missions of ongoing approaches to IPC Project management and (b) more effective support from A.I.D. administrative units, and (c) some quick applied research on cost saving techniques.

III. OTHER RECOMMENDATIONS

In addition to the foregoing recommendations with respect to specific aspects of IPC, there are several broad recommendations concerning the future of the program.

A. EXISTING PROGRAMS

Continuation of Existing Projects. Because the Evaluation Team has been favorably impressed with the IPC program thus far, and believe that IPC has the potential to contribute significantly to implementation of future policy reforms, it is our mid-term recommendation that the Project be continued as currently planned, provided the earlier recommendations concerning implementation of the Project, particularly those relating to sustainability, are followed to a substantial extent.

B. LINKAGES TO A.I.D.'s NEW AGENDA.

Reinventing government. The strong effort of President Clinton and Vice-President Gore to improve the performance of government requires a far greater priority now be given to the best possible management of government programs. The effort to reduce the federal deficit and the accompanying cuts in agency personnel levels place a further premium on effective program management that uses the best techniques available, and A.I.D. Administrator Atwood has given vigorous support to the application of NPR concepts to A.I.D.

Recommendation. It is recommended that R&D/EID consult with the Associate Administrator for Management, who is leading the NPR effort in A.I.D., as to whether several of the IPC techniques might be useful in furthering the A.I.D. portion of the President's effort to improve program management in the field beyond those efforts already assisted by IPC. Better integration of administrative and program management, for example, might benefit from adaptation of IPC's collaborative approaches.

Sectoral Policy Changes. Several people interviewed in LAC are concerned that with the

sharp reduction in ESF funding, and corresponding losses of the local currency generated by ESF, there will be little future A.I.D. policy change efforts of significance and, therefore, not many implementation activities that can benefit from IPC.

Recommendation. As ESF funding declines, it is recommended that LAC develop financing approaches somewhat similar to those being used in Africa in which funding for technical assistance projects can incorporate resources for IPC approaches to major sectoral policy changes that will continue to be pressed by A.I.D..

Eastern Europe and NIS. Interviews with A.I.D. individuals confirmed the view drawn from experience of Team members apart from the IPC Project that there has been a significant gap in much of the assistance provided by the largest donors to Eastern and Central Europe. Although the United States has given increasing attention, including substantial monetary incentives, to the former communist countries for the purpose of promoting economic and political reform, Team members have seen very little effort being given to responding to the critical needs of each of these countries to increase the capacity of government ministries to implement these sweeping policy reforms.

There has been an assumption by most large donors in recent years that the need to downsize ministries and enterprises meant that the governmental role in transforming dictatorships into democracies with market economies was best served by simply getting governments out of the way and avoiding them as much as possible. Fortunately, this view has lost ground, and A.I.D. is moving forward with substantial assistance to better equip these governments to implement reforms.

After all, it is the government that has to transform a totalitarian police system to one that responds to the needs of a free people. It is the government that has to go well beyond simply adopting policies conducive to the development of private enterprise; it has to develop the capacity to implement them in a way which frees the initiative and creativity of businesses and yet protects people against health and safety hazards and economic exploitation. Governments have to develop new tax and legal systems and foster modernization of communication, transportation and banking systems. Economic growth requires a reasonable level of political stability that can be provided only by governments that can function.

These and other ingredients so essential to success require a transformation of governments, and rapid implementation of policy changes, at all levels far exceeding in scope anything with which the United States has ever been involved. Officials in the former communist countries have been seeking help in governmental reform that will improve their capacity to implement the new policies. As a result, the Evaluation Team concludes that there is a significant role for a modified IPC in that part of the world.

Recommendation. It is recommended that A.I.D. quickly incorporate in its assistance for Europe and NIS a program to provide technical assistance for the implementation of political and economic reform policies. The basic IPC concepts that are proving

successful should be of great help in former communist countries.

Techniques for application will have to be modified substantially, however, in view of the difference in cultural backgrounds and different economic circumstances from other A.I.D. recipients. A great sense of urgency also exists as people become impatient with the crime, unemployment and political instability they often associate with the new democracies and their move toward a market economy.

Recommendation. Because of these differences, it is recommended that a task force be established to quickly develop appropriate modifications to fit Eastern Europe and the NIS, to be followed by two or three IPC pilot field projects.

The extent to which IPC can be utilized in these countries will depend in part on the extent to which IPC cadre can be assembled and sufficient absorptive capacity exists in those countries.

List of Appendices

- A. Evaluation SOW**
- B. Evaluation Framework**
- C. Persons Contacted and/or Interviewed**
- D. Compilation of Questionnaire Responses**
- E. Composite Listing of Project Activities to date**
- F. Research Documents**
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 - (1) Guinea Bissau**
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- I. Philippines SDP II Logical Framework**
- J. ONI Briefing Paper on West African Enterprise Network**
- K. Managing for Results Seminar Agenda**

APPENDIX A
IPC Evaluation Scope of Work

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ARTICLE I - TITLE

Mid-Term Evaluation of the Implementing Policy Change Project

ARTICLE II - OBJECTIVE

- 1) Provide a basis for a decision on whether and, if so, how to continue with Phase II of the project;
- 2) To understand how the project has affected the use of strategic management for policy implementation and how the project's value can be increased;
- 3) Monitor the performance of the contractor;
- 4) Plan for new and future Agency needs.

ARTICLE III - STATEMENT OF WORK

BACKGROUND: This project was authorized on March 28, 1990, and its implementing contract was signed on September 30 of that year. \$3,600,000 in central (R&D/EID) funds were authorized for the project, and a "buy-in" level of \$15,500,000 by USAID Missions and other AID/W offices was projected.

The project's purpose is to support LDC organizations in designing collaborative, broad-based management strategies for policy change and in effectively managing the process of implementation.

The project was designed around long-term technical cooperation with organizations in a few countries, usually on "sets" of policy implementation problems, research to support and to learn from these in-depth experiences, and networks and exchange with implementors in other countries to broaden the base of experience and the influence of the project's methods.

PROJECT PREMISES:

POLICY IMPLEMENTATION IS A KEY DEVELOPMENT ISSUE. Whereas in many cases, developing countries have recognized that development requires policy change and have adopted new policies indicated by economic analysis and sectoral research, benefits from these decisions have not been realized because the management of policy implementation has not been accomplished.

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POLICY IMPLEMENTATION IS OFTEN VERY DIFFICULT. Management of policy implementation is, in general, complex and difficult, often involving multiple organizations, requiring marshaling of political support, resolution of conflicting interests, reorientation of government functions and reciprocal public-private relationships as well as managerial systems, skills and procedures which are effective for priority implementation tasks.

STRATEGIC MANAGEMENT CONCEPTS AND APPROACHES, BORROWED AND ADAPTED FROM BUSINESS, APPLIED WITH INSIGHTS FROM OTHER DISCIPLINES, ARE USEFUL TO ADDRESS DIFFICULT POLICY IMPLEMENTATION which is much more complex in purpose, tasks and initiation and decision structure than business strategy.

AN AID-FUNDED CONTRACT TEAM CAN BE EFFECTIVE IN ASSISTING HOST COUNTRY MANAGERS AND LEADERS TO USE STRATEGIC MANAGEMENT APPROACHES FOR POLICY CHANGE. Included are:

That insight and skill for this purpose is available and can be developed sufficiently for this purpose; that the required range of sectoral/technical and area competencies can be linked with facilitative skills.

That the necessary consultant-client relationship can be established with LDC clients.

That USAID Mission program and project planning and funding allows appropriate and sufficient opportunity for carrying out this assistance.

WHEN HOST COUNTRY MANAGERS (in the public or private sector) EFFECTIVELY EMPLOY STRATEGIC MANAGEMENT APPROACHES FOR POLICY CHANGE, 1) THEY WILL POSITIVELY AFFECT THE MANAGEMENT OF GOVERNMENT, WHETHER OR NOT THEY ARE EFFECTIVE IN IMPLEMENTING THE POLICY AND 2) THEY AND THEIR ORGANIZATIONS HAVE GREATER CAPACITY FOR SUBSEQUENT DEVELOPMENT MANAGEMENT CHALLENGES.

STATEMENT OF WORK:

EVALUATION QUESTIONS:

The evaluation team shall address the following questions:

1. What evidence is there, in the project's experience and research to date, of the validity of the premises of the IPC project? (described above)
2. Is the project properly designed to adhere to the project premises?
3. Has the project been properly implemented to adhere to the project's premises?

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4. Has the project been implemented for quality and effectiveness?
(For example, what is the quality and effectiveness of the technical assistance and research work performed; of client satisfaction?)
5. Has the agency backed the program with sufficient fidelity and resources?
6. If significant constraints to achieving the project's purposes have been identified, can they be dealt with, with or without project modification, to warrant continuation of the project or/and to realize expected and needed benefits from the project?

(Issues which the team may consider may include funding, project management, means of establishing client relationship with -- sometimes multiple and changing -- LDC managers for sensitive tasks and establishing such relationships within USAID Mission programs and program vehicles).

7. What are the options (at least three) for the future development of IPC project and related development management work? For example:

Should the project initiate additional development management specialist resources needed by the Agency for quick-response to new governments or to new dimensions of sectoral programs?

Should the current IPC project itself be significantly modified, and if so, how?

8. In what ways can the project be managed by AID and by the contractor to increase the project's usefulness?

In addition, the contractor shall ensure that the cross-cutting issues listed on "Attachment 1" are addressed in the evaluation report, whether or not it is necessary to do so in order to answer the above questions.

METHODS AND PROCESS:

The evaluation team of three evaluation specialist and the IPC project officers and project contract staff shall work collaboratively on the evaluation to the end that the evaluation serve to improve the management and effectiveness of the project, as well as the purposes stated above. The final evaluation conclusions, never-the-less, will be the product of the evaluation contractor team. The final draft will form the basis of a collaborative review. Thereafter, the team's final conclusions, while informed by these discussions, will be their own.

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1. Initially, the evaluation team shall conduct an overview of project documents, including reports and research, and interview project personnel. They shall review literature which relates to the concepts of the project. They shall draw up a draft methods framework for conducting the balance of the evaluation and an implementation schedule.
2. The contractor shall conduct a seminar for the review of concepts on which the project is based, featuring specialists who have done concentrated work in policy and administrative reform and change, and in strategic management for the private sector. The purpose of the seminar shall be to examine multiple informed perspectives on on these concepts and thereby to assist the evaluation team in its examination of these issues and their possible implications for the way the evaluation is conducted.

For this seminar the contract shall provide the short-term services of three senior management specialist who have specialized in policy and administrative reform and strategic management for the public sector.

To prepare for this seminar the contractor shall a) invite a pre-approved list of AID officials, b) organize the structure of the seminar with the presenters and with R&D/EID, c) provide a written agenda for participants which outlines the subjects to be addressed, and d) provide for taped and written records of the seminar. The seminar will be held in AID or State Department space.

3. Following this meeting, a decision shall be made collaboratively between the contractor and the R&D/EID Project Officer on the (2-4) field sites to be visited (for 2-4 days each), a list of people to be interviewed and a draft outline of the report.
4. The Team shall survey opinions and data regarding IPC project experience and Agency need through:
 - o interviews with AID/W officials
 - o cables and E-Mail to USAID Mission officials
 - o (where possible) telephone calls and fax correspondence with LDC clients
 - o field visits in 3 countries where the IPC project has been active. Possible sites include: Uganda, Sahel, Guinea Bissau, Philippines, Jamaica

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APPENDIX B
EVALUATION FRAMEWORK

IMPLEMENTING POLICY CHANGE MID-TERM EVALUATION

Framework for Conducting the Evaluation

I. Introduction

The objectives of this mid-term evaluation are to:

1. Understand how the project has affected the use of strategic management for policy implementation and how the project's value can be increased;
2. monitor the performance of the contractor;
3. provide a basis for a decision on whether to continue with Phase II of the project; offer suggestions for any modifications which might further enhance the effectiveness and success of the project if it is to continue; or, alternatively, consider other development management initiatives which would help strengthen host country capacity to deal with the management of change.

Two formal products will be produced as a result of the evaluation: a formal evaluation report which provides a set of findings and recommendations; a report of a seminar on "Managing for Results: implementing policy change by host country organizations". In addition, it is anticipated that the evaluation process will lead to increased understanding among key stakeholders of the major premises of the project and the issues involved in applying strategic management approaches in implementing policy change.

II. Overall strategy and approach

The evaluators will work in a collaborative and interactive mode with the AID Project Officers, the contractor team, and other key stakeholders in the project (in particular, those who have been clients/beneficiaries of the project) to gather their perspectives on the status of the project, accomplishments to date, and to identify issue areas which need attention in the remaining life of the project, and its possible continuation. At various points throughout the evaluation, the evaluators will provide interim feedback and cycle back to the AID Project Officers and Contractor team to review progress being made, share general patterns of findings, and seek further clarification on issues being raised in interviews with other key stakeholders. This process approach is intended to assure that the evaluators obtain as complete picture of the project as possible as seen from different perspectives, and will allow the evaluators to probe for additional clarification and insights in subsequent stakeholder interviews and questionnaire data collection.

It is recognized that this project involves the application of various elements of strategic management approaches to a range of policy implementation issues. Hence, the framework and conduct of this evaluation will need to anticipate the possibility of considerable variation

among project stakeholders in their interpretation of the role, application, and relevance of strategic management approaches to different policy arenas.

The evaluation will be guided by the following general questions which derive from the evaluation terms of reference:

1. To what extent has the project successfully carried out activities which are consistent with and validate the basic premises, assumptions, and objectives of the project paper (questions 1- 4, page 2 of the evaluation TOR)?
2. What have been the principal constraints to achieving the project purpose?
3. What has been the extent of AID support (including S&T core financing and regional bureau buy-ins) to meet the targets specified in the project paper (question 5 of the evaluation TOR);
4. What improvements might be made in the design and administration of the project, if it is to be continued (questions 5-8 of the evaluation TOR)?

III. Methodology

The methodology for collecting data for this evaluation will include: structured interviews with key stakeholders (consultants, AID/W and Mission officials, host country beneficiaries, and other concerned professionals in organizations such as the World Bank and academic/research institutions), questionnaires (via E-Mail, fax, mail) sent to other relevant professionals and officials not interviewed, and a careful review by the evaluators of project documents and other relevant project publications. In addition, a seminar on "Managing for results: implementing policy change by host country organizations" will be held early in the evaluation which will examine the key premises of the IPC Project.

The selection of those to be interviewed and those to receive questionnaires will derive initially from recommendations coming from the AID Project Officers and the contractor team, and will be extended/expanded on the basis of information collected from other key stakeholder during the initial set of interviews. Key documents to be reviewed will include: annual work plans, technical cooperation trip reports, research publications, and project financial documentation.

Specific methodology issues pertaining to different phases, the six project components, and cross-cutting evaluation themes are discussed in sections A and B below.

A. Phases of evaluation

1. Phase I In the initial phase of the evaluation, the evaluators will:
 - a. Meet with the AID Project officers and contractor team to gain their overall

perspective on the project, activities and accomplishments to date, problem areas, and their views on particular issues that should be addressed in the evaluation;

b. obtain copies of all key documents (workplans, reports on technical cooperation activities, research reports) and other publications that have been produced through the project to date, and based on an initial review of these documents determine which project activities should be given priority attention in the evaluation;

c. plan for the seminar "Managing for results: implementing policy change by host country organizations."

2. Phase II Phase II will entail structured interviews with key stakeholders in the Washington D.C. area, field visits to 2-4 countries, and a careful review of key project documents.

a. Structured interviews Structured, in-depth interviews will be conducted with key stakeholders in the project, including key AID/W officials familiar with the project and/or directly involved in one of the project's technical cooperation activities, officials in the World Bank familiar with the project, consultants who have assisted with technical cooperation activities, and other clients/beneficiaries of project funding. Structured interview protocols will be prepared in advance to assure that consistent information is collected across interviews. To the extent possible, interviews conducted in Washington D.C. will involve at least two of the three evaluators. In some cases, group interviews may be held where more than one person in a particular office has been involved in a technical cooperation activity. For the field visits, only one evaluator will go to each site, but the interview and data collection procedures will be standardized to maintain consistency in information collected.

b. Field visits will be made to 2-4 countries where the IPC project has been active. In preparation for these visits, additional information will be collected from consultants who have been involved in the field work and from a thorough review of reports of these activities to date. During the field visits, interviews will be conducted with USAID Mission officials as well as local officials and key beneficiaries of IPC consultancy services. The decision on which countries to visit will be finalized once some of the key AID/W interviews have been completed. The following considerations will help shape this decision:

- Representativeness of the case in terms of the original intent of the IPC Project;
- scope/depth of the particular intervention;
- regional representation;
- status of the particular intervention (just started, still in process, completed)
- policy area of the intervention;
- lessons the particular intervention can provide for the future of the IPC Project and its basic premises.
- practicality of the visit in terms of time and cost.

c. Questionnaires For countries not visited, the evaluators will collect information through questionnaires sent to USAID Mission and involved host country officials (via E-Mail, cables, fax) to get their perspective on activities of the project. Items to be included in the standard questionnaire will be based on the interview protocol.

d. Review of project publications The evaluators will review all major research reports and studies which have been produced to date. In addition to the evaluators' assessments of these publications, data will be collected from individuals on the distribution list of these reports to get their perspectives on these publications. Of particular concern will be the quality of these materials in terms of their relevance, format/style/readability, and utility for professionals and practitioners concerned with policy implementation.

e. Seminar on "Managing for results: implementing policy change by host country organizations" A seminar will be held early in the evaluation which will address the basic premises of the project. Specific issues to be included in the seminar will include a review of issues and experience in implementing policy reform, experience with applying strategic management approaches for policy implementation in developing countries, and the broader implications of this experience for AID. The seminar presentations and discussion will be recorded and transcribed.

As noted earlier, at various points during Phase II of the evaluation, the evaluators will meet with the contractor team and the AID Project Officers to review progress being made, obtain additional information/clarification and their perspectives on issues being raised in key interviews and project documents. This iterative process will help to identify additional information which may need to be collected from remaining stakeholder interviews so that findings and recommendations accurately reflect and incorporate the views of the key stakeholders.

3. Phase III The final phase of the evaluation will involve:

a. Submission of a report of the one day seminar on implementing policy change.

b. Preparation and submission of a first draft of the evaluation report to the AID project officers and contractor team for their review and comment. This draft will be reviewed at a meeting of key stakeholders and the evaluators in early December 1993. Based on the results of that meeting, refinements and modifications will be incorporated to assure that the report is complete and presents an accurate record of the project's work to date.

c. Submission of a final report which incorporates any additional information and feedback from the draft.

B. Specific questions and issues to be probed in each of the core activity areas

The evaluation will focus on the six components of the project which have been used in the annual workplans as the framework for differentiating activities in the project and will relate them to the activities identified in the project paper.

An initial set of questions to be asked concerning each of the six component activity areas is indicated below. These questions are based on preliminary meetings with the AID Project Officers and the contractor team, and on an initial review of key project documents. It should be noted, however, that as the evaluation moves into Phase II, additional questions and issues will undoubtedly surface which cannot be fully anticipated at this stage.

1. Technical cooperation Technical cooperation (TC) activities (including reconnaissance) in Africa, Latin America and the Caribbean, and Asia, and technical assistance support activities (TPM's debriefings, support materials, and cadre development) constitute a major focus for the evaluation.

Questions The overarching evaluation questions to be asked of key stakeholders (in particular clients/beneficiaries) in this area are:

- To what extent do the technical cooperation activities carried out to date validate the basic premise that strategic management concepts and approaches (borrowed and adapted from business) can be effectively applied to implement development policy;
- how effective/successful have individual interventions been in facilitating/expediting the implementation of development policy?

More specific questions to be raised regarding particular interventions will include the following:

- How did the particular activity start (who initiated it, how, why);
- what aspects and specific elements of the strategic management approach were applied/used in the intervention;
- which aspects/elements of the strategic management approach and techniques were found to be the most effective in completing the assignment;
- what constraints existed in successfully carrying out a specific intervention;
- what was the outcome of the intervention in terms of: concrete products/outputs; satisfaction of the clients/beneficiaries; effects/outcomes;
- to what extent have the beneficiaries continued to apply strategic management approaches in other policy or management areas;
- to what extent have gender issues been taken into account in designing and carrying out this intervention;
- what was the perceived effectiveness of the consultants in terms of the substantive and process contribution to the activity;

- what has been the effectiveness of TC support activities (TPM's debriefings, support materials, cadre development) in preparing consultants and beneficiaries to become involved in IPC supported activities;
- to what extent have others been trained to carry out TC support activities (TPM's, cadre development);
- if particular activities of this sort were to be carried out in the future, what lessons have been learned from this experience that might increase the effectiveness of future interventions;
- what is the likelihood that the intervention will sustain itself in terms of the application of strategic management approaches to the policy area being implemented after the IPC project intervention is completed?

The process for collecting information in this area will involve a review of consultancy reports, E-Mail questionnaires to clients/beneficiaries and consultants involved in the interventions, and in-depth interviews of key stakeholders involved in the major TC interventions.

2. Research Research activities and products indicated in the annual workplans and project paper involve the following: Bibliography Series, Research Notes Series, Working Paper Series, JAI Press publication, African Natural Resources Policy Implementation Literature Review, Theme Papers, Data Protocol for assessment of host country use of S-M approaches, Analysis of field interventions, and research back-up to field activities. All of the research products produced to date will be reviewed by at least two of the three evaluators in relation to the target number of outputs which had been specified in the project paper and the annual workplans, and for their quality and usefulness. As part of this process, the evaluators will solicit comments from professionals familiar with specific research products for their views on these products.

Questions The following specific questions will be addressed in relation to the research activities:

- How many research products have been produced to date in these categories;
- what are the perceptions of their quality, relevance to the project objectives, and usefulness to stakeholders (consultants, beneficiaries, those being trained to apply S-M approaches, other professionals in the field of international development and policy analysis, etc);
- to what extent have any of the products been used by others not directly involved in the project (academics, trainers, consultants) in training/consulting settings to explain concepts and report experience and findings in the application of strategic management approaches to policy implementation;
- what constraints have been encountered in carrying out research activities to date;
- to what extent are gender issues and considerations addressed or of

- concern in the research carried to date;
- what should be the future priority and types of research activities in the project?

3. **Networking** Networking activities mentioned in the annual workplans have included: IIAS Networking, Development Management Network, and Africa Region Networking.

Questions Questions in this area will include:

- How much actual networking has taken place;
- to what extent is there evidence that this networking has had particular impacts in terms of extending the knowledge and application of strategic management approaches to policy implementation;
- what constraints have been encountered in carrying work in this area;
- what should be the future emphasis of the project in this area (i.e. specific avenues and target audiences to be reached, etc.)?

4. **Institutional Strengthening** This area has not received much attention to date, though it has important implications for the sustainability of the approaches introduced through project interventions.

Questions Questions in this area will include:

- To what extent has this occurred in particular countries as part of technical cooperation;
- what are the constraints to doing more work in this area;
- what else specifically should be done in the future to build and sustain the capacity to apply strategic management approaches in developing countries?

5. **Dissemination**

Questions Questions in this area will include:

- What has been the nature and level of dissemination to date
- what evidence is there that this activity has increased the visibility and understanding around the utility of applying S-M approaches to policy implementation
- what constraints have existed in carrying out dissemination activities;
- in the future should more be done in this area, and if so what should be the strategy and target audience?

6. **Project Management** This area will involve an examination of structure/design of the project in terms of implications for the administration and management of IPC Project by

APPENDIX C
Persons Contacted or Interviewed

IPC EVALUATION INTERVIEW/CONTACT LIST

AID/Washington

Administrator:

Kenneth Sherper Counselor (formerly in AFR)

Executive Secretariat:

Aaron Williams Executive Secretary

Policy & Programs:

Terrence Brown	Director, PPC/OD
Michael Morfit	Director, POL/SP
John Eriksson	Director, POL/CDIE. 703-875-4514
Gerald Britain	Chief, POL/CDIE/E/SS

Global Programs:

T. David Johnston	Acting Director, R&D/EID
Gloria Steele	Division Chief, R&D/EID
Jeanne North	R&D/EID
Pat Isman	R&D/EID
Frank Alejandro	Evaluation Officer, G/R&D/PO/AE

Africa:

Judy Gilmore	Acting Director, AFR/SWA
Dana Fischer	Chief, AFR/SWA/RP
Jerome Wolgin	Director, AFR/ARTS
Jay Smith	Chief, AFR/ARTS/EA
Tony Pryor	AFR/ARTS/FARA
Carol Peasley	Director, AFR/DP
Andy Sisson	AFR/DP/PSE
Joan Atherton	AFR/DP/PSE
Collette Cowey	USAID/Senegal (interviewed while on TDY in Washington)
Yvonne John	Guinea Bissau Desk Officer

Latin America:

Norma Parker	LAC/SAM
Stacy Rhodes	A-AA/LAC
Eric Zallman	Deputy Director, LAC/DP
Marcia Bernbaum	LAC/CAR
Ken Schoffield	LAC/DI
Edward Campbell	Jamaica Desk Officer

Asia & Near East:

Linda Morse	DAA/ANE
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Europe/NIS:

Malcolm Butler	Director, NIS Task Force
Frank Almaguer	Acting-DAA, ENI
Peter Orr	DAA/ENI

PRE:

Peter Kimm	G/PRE/H
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FA:

Larry Byrne	AA/M
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In Guinea-Bissau

Mike Lukomski	Director, USAID/Guinea-Bissau
John Blacken	IPC Consultant
Abdo Mane	Chief Legal Advisor, Ministry of Commerce and Industry
Manado Embalo	Director of Studies and Research, Ministry of Commerce and Industry
Alberto Lopes	Chair, Electoral Commission
Armando Procel	Director, Office of Studies and Legislation, Ministry of Justice and Vice President, Bar Association
Calvario Ahukarie	Attorney General's Office
Helena N. Embalo	Legal Advisor, Central Bank
Robert Greener	Mission Director, USAID

In Jamaica

Dennis Benn	Resident Representative, UNDP
Edward Wood	Chief, EHR, USAID/Jamaica

William Craddock	Chief, Office of Private Enterprise, USAID/Jamaica
William Bateson	Chief Consultant, FPMU
Charles Mahon	Economist, USAID/Jamaica
Trevor Hamilton	IPC Consultant (Abt Associates)
Shirley Tyndall	Financial Secretary, Ministry of Finance
Shirley Tavares	Director, Corporate Services, Ministry of Finance

In Zambia

Fred Winch	Director, USAID/Zambia
John Wiebler	Program Officer, USAID/Zambia
Jim Polhemus	Project Officer, Democratic Governance Project, USAID/Zambia
Harry Garnett	IPC Consultant (Abt Associates)
Julie Koenen-Grant	IPC Consultant (MSI)
Tina West	IPC Consultant (MSI)
H. Sikaneta	Acting Permanent Secretary, Policy Analysis and Coordination Division Cabinet Office (PAC)
M. Musaba	Deputy Permanent Secretary, PAC
Cliff Hamabuyu	IPC Consultant (Zambian National Institute of Public Administration)
Amy Mlambula	IPC Consultant (Zambian National Institute of Public Administration)
G. Kaira	Permanent Secretary Designate, PAC
Mr. Kaluba	PAC
Mr. Siakelenge	PAC

Philippines

Cecilia Soriano	Former IPC Host Country Client (interviewed in Washington, D.C.)
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Bolivia

Sonia Aranibar	Former Mission IPC Project Officer, USAID/Bolivia (interviewed in Cambridge, Mass.)
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OTHER:

MSI

Larry Cooley	President
Ben Crosby	Project Director, IPC
Alice Morton	IPC Staff
Julie Koenen-Grant	IPC Staff

Abt Associates

Derek Brinkerhoff	IPC Research Coordinator
John Miller	IPC Staff
Nick Kulibaba	IPC Staff
Harry Garnett	IPC Staff

DAI

_____ Nelson	IPC Staff
Ann McDermott	IPC Staff

Thunder

Marcus Ingle	(Formerly Director, IDMC, University of Maryland)
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APPENDIX D
Questionnaire

NAME _____

ORGANIZATION: _____

MID-TERM EVALUATION QUESTIONNAIRE
IMPLEMENTING POLICY REFORM PROJECT

The following questionnaire has been prepared to assist the Academy for Educational Development in conducting an evaluation of the Implementing Policy Reform Project (IPC) which is funded by the Agency for International Development. The purpose of the evaluation is to determine whether the project should continue beyond 1995, as well as provide recommendations on how it might be improved to meet the needs of AID and beneficiary organizations.

Please provide your frank views on each of the questions in the space provided in the questionnaire. If additional space is required, please do not hesitate to write on the back side of the questionnaire or attach additional pages.

A. Overview of the IPC activity/intervention

1. Briefly, how and why did you and your organization become involved with the IPC project?

2. Why and how did you feel IPC could help?

3. From the time of the initial discussions about involving IPC in this activity to the actual start of the intervention, to what extent did the focus or problem to be dealt by IPC change? (Check appropriate choice below)

- ☐ a great deal
- ☐ somewhat
- ☐ little or not at all

Comment:

3. What issues facilitated and/or hampered getting IPC assistance (programmatic, administrative)?

4. To what extent do you see a strong, moderate, or low "fit" between the objectives of the IPC Project (as briefly described in the attached summary) and the work IPC has done with you and your organization? Check the most appropriate choice below:

- ☐ Strong
- ☐ Moderate
- ☐ Low

5. At what stage in the policy "cycle" did you initially call on IPC for assistance? Check the most appropriate choice below:

- ☐ defining the policy problem situation
- ☐ developing policy options
- ☐ planning implementation
- ☐ actual implementation

6. What level of resource commitment did your organization make to this effort (level of buy-in, other non-financial resource commitments)?

7. What were the objectives and hoped for outcomes of this intervention from your perspective?

8. What criteria and indicators were established to measure the success and effectiveness of the activity?

9. What constraints, if any, hampered getting involved with IPC initially?

10. What constraints have interfered with implementation of the intervention.

11. What is the current status of the intervention (is it completed, do you anticipate any follow-on activity)?

B. Effectiveness of the intervention and its outcome

1. Overall, how effective/successful was the intervention in terms of accomplishing its objectives Check most appropriate choice below:

- ☐ high effectiveness/success
- ☐ moderate effectiveness/success
- ☐ low effectiveness/success

What specific indicators are available to support this view?

2. What particular aspects of the process of the IPC intervention proved helpful or unhelpful in carrying it out?

3. Would you involve the IPC Project again in the same or similar kind of situation, based on this experience? Check most appropriate choice below

- ☐ Yes
- ☐ Maybe
- ☐ No

Comment:

C. Lessons learned about policy implementation and sustainability

1. For this particular intervention, if it were to be done again from the start, what might it be done differently so as to make it more effective?

2. To what extent has any organizational/institutional strengthening resulted from this effort (beyond individual managers/officials directly involved in the intervention)? Check most appropriate choice below:

- ☐ a great deal
- ☐ some
- ☐ little or none

3. Has there been any formal cadre development activity as part of this intervention (e.g. linking up with local consultants or management training institutions)? Check most appropriate choice below:

- ☐ a great deal
- ☐ some
- ☐ little or none

4. To what extent is your organization or the client organization continuing to apply this approach with IPC support in the implementation of the policy and/or other policy or management areas? Check most appropriate choice below:

- ☐ a great extent
- ☐ sometimes/to some extent
- ☐ very little/not at all

D. Project management support

1. Were sufficient resources (financial and human) available to achieve the objectives as planned?

2. Overall, how effective have the consultants been in carrying out this activity? Check most appropriate choice below:

- ☐ highly effective
- ☐ moderately effective
- ☐ not effective

3. Please comment on the quality of their technical, professional, and interpersonal skills and performance.

4. What administrative problems have arisen in this activity?

5. Has the consultant team followed through on all commitments made?

6. How useful and timely have the consultants' written reports been? Check most appropriate choice below:

<input type="checkbox"/> very useful	<input type="checkbox"/> very timely
<input type="checkbox"/> moderately useful	<input type="checkbox"/> moderately timely
<input type="checkbox"/> not useful	<input type="checkbox"/> not timely

7. Are there other projects or programs you draw on to deal with policy implementation? If so, what are the advantages and disadvantages between IPC and these other sources?

E. Application of strategic management to policy implementation

1. Overall, what is your view of the applicability of the strategic management approach to this particular intervention? Check most appropriate choice below:

☐ highly applicable
☐ moderately applicable
☐ not applicable

2. What tension or difficulty, if any, do you see between the policy problem area and the utility or applicability of strategic management approaches?

3. What recommendations would you suggest to improve upon the strategic management approach for successfully dealing with this particular policy area and/or policy implementation in general?

4. Have you seen any of the IPC publications (technical notes, research notes, etc.)?

☐ yes
☐ no

If so, please comment on their usefulness, style and overall quality.

MIDTERM EVALUATION QUESTIONNAIRE
IMPLEMENTING POLICY CHANGE (IPC) PROJECT

(ADDITIONAL QUESTIONS TO BE COMPLETED BY USAID PERSONNEL ONLY)

Project Management

1. What has been the role of the AID/W project officer(s) and your bureau in providing administrative support to this activity?

2. How effective/helpful has their involvement been in this activity?

Future of the project

1. Do you feel the project should be continued beyond 1995 (the current project completion date)?

☐ yes
☐ no

2. Would your office/mission want to be involved in some way with IPC in the future?

☐ yes
☐ possible, depending on future needs
☐ no

If interested, please indicate the policy problem area and the extent to which resources in your office/mission might be available to commit to such an activity?

3. What recommendations would you have in redesigning the project to make it more effective and useful to AID and the problem area it is dealing with:

- * from the point of view of project administration/management by AID and the contractor;
- * where/how the project should be positioned with AID?

4. Where and how do you see the project fitting into AID's evolving mission and organization structure?

G. Other IPC project components

1. What comments would you have on other aspects of the project (research, networking, institution strengthening, dissemination)? Should they receive more attention and support? If so, what shifts and priorities would you recommend?

2. Have you been involved in or know about the networking and dissemination activities; if so what comments/suggestions would you have to make?

3. Has the intervention involved explicit attention to local/regional management resource/training institution strengthening?

If so, how helpful/useful was it?

If no work was done in this area, was it explored and found not to be feasible? Please explain.

Should more be done in this area? If so, what/how?

APPENDIX E
IPC Project Activities to Date

IPC CONTRACT LIST
December 15, 1993

Del. Ord.	Project Title	MSI Contract Number/\$ Amount	Subcontractor(s) Information	Start Date/End Date
1	Haiti Reconnaissance	1593 \$34,063	IDMC: \$11,128	
2	Bolivia UDAPE Evaluation	1587 \$44,120	DAI: \$13,762 #1587-3.1-02	
3	Haiti Policy & Administrative Reform	1611 \$408,522	IDMC: \$28,069 #1611-2.1-03	5/2/91 to 12/31/91
4	Philippines SDPII Implementation (Reconnaissance)	1611-004 \$36,994	Abt: \$15,607 #1611-004-4-1	
5	E. Caribbean Agriculture Policy Workshop	1611-005 \$29,981	IDMC: \$10,838 #1611-005-2-3 Abt: \$5,824 #1611-005-4-2	8/23/91 to 3/14/92
6	Ghana Export Diversification Workshop	1611-006 \$66,894	Abt: \$56,928 #1611-006-4-3	8/26/91 to 10/31/91
7	AFR/NR Natural Resources Policy Research/Wkshop	1611-007 \$50,000	IDMC: \$27,461 #1611-007-2-4 Abt: \$9,758 #1611-007-4-4	9/3/91 to 4/15/92
8	Caribbean Strategic Planning	1611-008 \$7,508	n/a	11/8/91 to 12/15/91
9	Jamaica Fiscal Policy Analysis	1611-009 \$74,467	Abt: \$68,315 #1611-009-4-5	11/7/91 to 3/15/92

Del. Ord.	Project Title	MSI Contract Number/\$ Amount	Subcontractor(s) Information	Start Date/ End Date
10	number cancelled by A.I.D.			
11	Guinea-Bissau Reconnaissance	1611-011 \$93,042	n/a	12/24/91 to 2/28/92
12	Zimbabwe Monopolies Study	1611-012 \$178,019	Abt: \$70,331 #1611-012-4-6 HIED: \$17,961 #1611-012-X-1 Merchant Bank of Central Africa: \$29,684 #1611-012-X-2	1/10/92 to 7/30/92
13	Bolivia Technical Support for Policy Reform Project Design	1611-013 \$27,431	DAI: \$12,128 #1611-013-3-2	1/28/92 to 4/10/92
14	Philippines SDFII Project Assistance	1611-014 \$549,725	ABT: \$172,312 1611-014-4-7 DAI: \$23,927 1611-014-3-3	2/6/92 to 2/28/94
15	Draft Action Plan to Implement the Jamaican Fiscal Policy Process	1611-015 \$17,737	ABT: \$16,131 1611-015-4-8	
16	Lesotho Agricultural Policy Support Program Evaluation	1611-016 \$60,740	IDMC: \$15,234 1611-016-2-5	4/21/92 to 6/5/92
17	Sahel Policy Project Evaluation	1611-017 \$50,192	N/A	5/1/92 to 7/27/92

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Del. Ord.	Project Title	MSI Contract Number/\$ Amount	Subcontractor(s) Information	Start Date/ End Date
18	Analytical Studies of the Mozambican Regional Rail System	1611-018 \$385,890	ABT: \$131,775 1611-018-4-9 Thunder: \$22,529 1611-018-X-1 D&T: \$9,112 1611-018-X-2 IDMC: \$4,631 1611-018-2-6	6/26/92 to 11/30/92
19	Jamaica Fiscal Policy Implementation (phase III)	1611-019 \$55,521	ABT: 1611-19-4-10 \$50,589	7/17/92 to 4/30/93
20	Lesotho Ag. Policy Support Program Facilitation	1611-020 \$23,279	n/a	7/29/92 to 9/30/92
21	Uganda Presidential Forum on Strategic Mgmt. of Private Investment and Export Growth	1611-021 \$203,201	ABT: 1611-021-4-11 \$72,393 DAI: 1611-021-3-4 \$19,614	7/31/92 to 12/31/92
22	West Africa Private Sector Network	1611-022 \$420,658	DAI: 1611-022-3-5 \$322,747 IDMC: 1611-022-2-10 \$10,598	8/31/92 to 9/29/94

Del. Ord.	Project Title	MSI Contract Number/\$ Amount	Subcontractor(s) Information	Start Date/ End Date
23	Africa Natural Resources Policy Research II	1611-023 \$322,908	ABT: 1611-023-4-12 \$53,006 IDMC: 1611-023-2-7 \$151,274	9/11/92 to 4/30/94
24	Assistance to El Salvador Working Group on Judicial Reform	1611-025 \$98,245	n/a	9/28/92 to 7/31/93
25	Guinea-Bissau Trade & Investment Policy Implementation	1611-025 \$699,947	IDMC: 1611-025-2-8 \$23,015	9/25/92 to 7/30/94
26	W. African Livestock Policy	1611-026 \$177,299	ABT: 1611-026-4-13 \$155,038 IDMC: 1611-026-2-9 \$2,120	9/28/92 to 9/27/93
27	Gambia Institutional Assessment and Policy Implementation Analysis	1611-027 \$109,134	ABT: 1611-027-4-14 \$47,520	11/5/92 to 3/4/93
28	South Africa Reconnaissance	1611-028 \$27,610	n/a	2/3/92 to 3/30/92
29	Consulting Assistance on Economic Reform	1611-029 \$56,461	ABT: 1611-029-4-15 \$42,041	4/5/93 to 7/30/93
30	Support to Policy Coordination in Zambia	1611-030 \$339,769	Abt: 1611-030-4-16 \$112,759	4/29/93 to 4/29/94
31	Honduras Policy Analysis Unit Implementation	1611-031 \$565,770	DAI: 1611-031-3-6 \$116,243	6/4/93 to 10/1/94

Del. Ord.	Project Title	MSI Contract Number/\$ Amount	Subcontractor(s) Information	Start Date/ End Date
32	Gambia Strategic Management Assistance to the Ministry of Finance and Economic Analysis	1611-032 \$155,039	Abt: 1611-032-4-17 \$46,928	8/26/93 to 6/30/94
33	South Africa Foundation for Public Mgmt. and Development	1611-033 \$449,129	IMDI: 1611-033-5-1 \$56,282	8/31/93 to 5/30/94
34	Zimbabwe Monopolies Commission Assistance (II)	1611-034 \$183,851	Abt: 1611-034-4-18 \$137,386	7/15/93 to 3/14/94
35	West Africa Livestock (II)	1611-035 \$228,592	Abt: 1611-035-4-19 \$199,270	9/30/93 to 9/29/94
36	Jamaica Fiscal Policy Unit	1611-036 \$31,987	Abt: 1611-036-4-22 \$	11/16/93 to 3/30/94
37	West Africa Private Sector Network II	1611-037 \$298,385	DAI: 1611-037-3-7 \$150,721	9/23/93 to 3/30/94
38	Natural Resources Management III	1611-038 \$98,950	Abt: 1611-038-4-21 \$75,006	9/30/93 to 9/29/94
39	Africa Management Training in Three African Countries	1611-039 \$200,500		9/30/93 to 9/29/94
40	South Africa Assistance to Sunnyside Group	1611-040 \$603,929		9/30/93 to 9/29/94
41	Guyana	1611-041 \$47,846	Abt: 1611-041-4-20 \$42,957	12/7/93 to 1/30/94
42	Rwanda Budgeting Reform	1611-042 \$110,124	DAI: 1611-042-3-8	11/16/93 to 3/30/94

APPENDIX F
IPC Research Publications

IPC RESEARCH PUBLICATIONS

IPC Working Papers

1. "Looking Out, Looking In, Looking Ahead: Guidelines for Managing Development Programs." Derick Brinkerhoff. IPC Working Paper No. 1. October 1991.
2. "Beyond Policy Reform in Africa: Strengthening Entrepreneurship through Development and the Non-governmental sector." David Gordon. IPC Working Paper No. 2. November 1991.
3. "Implementing Privatization Policy in Developing Countries: A Selected Literature Review." Veronica R. Clifford. IPC Working Paper No. 3. August 1993.
4. "Assessing Policy Implementation Success: Observations from the Philippines" (draft). Alice Morton. October 1993.
5. "Export Expansion and Investment Promotion in Sub-Saharan Africa: Implementation Constraints to Getting the Policies Right" (draft). Charles E. Krakoff. October 1993.

IPC Technical Notes

1. "Strategic Planning and Strategic Management: What Are They and How Are They Different?" Benjamin Crosby. IPC Technical Notes No. 1. October 1991.
2. "Stakeholder Analysis: A Vital Tool for Strategic Managers." Benjamin Crosby. IPC Technical Notes No. 2. March 1992.
3. "Policy Characteristics Analysis." Daniel Gustafson and Marcus Ingle. IPC Technical Notes No. 3. August 1992.
4. "Management and the Environment for Implementation of Policy Change: Part One." Benjamin Crosby. IPC Technical Notes No. 4. April 1992.
5. "Management and the Environment for Implementation of Policy Change: Part Two." Benjamin Crosby. IPC Technical Notes No. 5. April 1992.
6. "Achieving Reform: The Purpose and Process of Advocacy" (draft). Deborah M. Orsini. October 1993.

7. "Using Workshops for Strategic Management of Policy Reform" (draft). Derick Brinkerhoff. October 1993.

IPC Research Notes

1. "Linking Applied Research and Technical Cooperation in Strategic Management for Policy Change." Derick Brinkerhoff. IPC Research Note No. 1. June 1992.
2. "Coordination Issues in Policy Implementation Networks: Managing Madagascar's Environmental Action Plan." Derick Brinkerhoff. IPC Research Note No. 2. September 1993.
3. "The Role of Outsiders in the Strategic Management Process" (draft). Larry Cooley. October 1993.

IPC Bibliographies

1. "Implementing Policy Change: A Selected, Annotated Bibliography." IPC Bibliography No. 1. Derick Brinkerhoff and James Gage. October 1991.
2. "Implementing Natural Resource Management Policy in Africa: An Annotated Bibliography." IPC Bibliography No. 2. Derick W. Brinkerhoff, James D. Gage and Veronica Clifford. September 1992.

Special Studies

1. "Implementing Natural Resource Management Policy in Africa: A Document and Literature Review." Derick W. Brinkerhoff, James D. Gage and Jo Anne Yeager. April 1992.
 2. "Sustaining Economic Reform in Sub-Saharan Africa: Issues and Implications for USAID." David F. Gordon. November 1992.
 3. "Forestry Policy Reform in Mali: An Analysis of Implementation Issues." Derick W. Brinkerhoff and James D. Gage. September 1993.
 4. "Madagascar's Environmental Action Plan: A Policy Implementation Perspective." Derick W. Brinkerhoff and Jo Anne Yeager. September 1993.
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Conference Papers

1. "Economic Policy Analysis Units and Their Role in Policy Implementation: The Case of Bolivia's UDAPE" (preliminary draft). Benjamin Crosby. Paper presented at American Society for Public Administration (ASPA). Fifty-third National Conference. Chicago, IL. April 11-15, 1992.
2. "Natural Resources Management Policy in Africa: Implementation Challenges for Public Managers." Derick Brinkerhoff and James Gage. Paper presented at American Society for Public Administration (ASPA). Fifty-third National Conference. Chicago, IL. April 11-15, 1992.
3. "Competitiveness and Strategic Management." David F. Gordon. Speech prepared for the National Forum on Strategic Management for Private Sector Investment and Export Growth. October 29, 1992.
4. "The Implications of Political Change in Africa for SPA Donors." David F. Gordon and Carol Lancaster. Prepared for USAID-sponsored workshops for SPA donors on "Economic Reform in Africa's New Era of Political Liberalization." Washington, D.C., April 14-15, 1993.
5. "The New Policy Analysis Units and Their Role in Strategic Reform: The Cases of Bolivia, Honduras, Jamaica, and Zambia." Benjamin Crosby. Paper for the Second International Conference of IIAS, Toluca, Mexico. July 1993.

IPC Papers Published in Journals

1. Derick W. Brinkerhoff and Arthur A. Goldsmith. 1992. "Promoting the Sustainability of Development Institutions: A Framework for Strategy." World Development. Vol. 20, No. 3, pp. 369-383.
 2. Derick W. Brinkerhoff. 1992. "Looking Out, Looking In, Looking Ahead: Guidelines for Managing Development Programs." International Review of Administrative Sciences. Vol. 58, No. 4, December, pp. 483-503.
 3. Derick W. Brinkerhoff and James D. Gage. "Natural Resources Management Policies in Africa: Implementation Challenges for Public Managers." In Stuart Nagel, ed. Africa: Development and Public Policy. London: MacMillan Press (in process).
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APPENDIX G
Project Financial Summary

IPC FINANCIAL SUMMARY
Inception Through 9/30/93

PROJECTED EXPENDITURES PER PROJECT PAPER

	ST/RD	MISSIONS	REGIONAL BUREAUS	TOTAL
FY 90	147,534	310,500	37,433	495,467
FY 91	594,896	897,000	483,000	1,974,896
FY 92	624,641	2,110,250	561,488	3,296,379
FY 93	655,873	3,082,000	434,700	4,172,573
TOTAL	2,022,944	6,399,750	1,516,621	9,939,315

ACTUAL EXPENDITURES¹

	ST/RD	MISSIONS²	REGIONAL BUREAUS³	TOTAL
FY 90	14,000	-	-	14,000
FY 91	526,000	670,444	32,000	1,228,444
FY 92	557,000	2,464,401	1,535,565	4,556,966
FY 93	696,300	2,510,745	882,868	4,089,913
TOTAL	1,793,300	5,645,590	2,450,433	9,889,323

¹Based on R&D/EID data

² Represents D.O.s contracted

³Includes OYB Transfers and D.O.'s

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APPENDIX H
FIELD VISIT SUMMARIES

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APPENDIX H - 1

Guinea Bissau

GUINEA-BISSAU IPC PROJECT

A. BACKGROUND

In 1983, the Government of Guinea-Bissau (GOGB) announced its intention to move away from a centrally planned socialist model of economic development toward a market-oriented, agriculturally based and private sector driven approach to development. Since that time, with support from IMF, World Bank, UNDP, USAID, and other donors, gradual liberalizing of the economy has taken place. In addition to the economic policy reform commitment, the GOGB also made a commitment in 1991 to move toward political liberalization. During the past few years, progress on both economic and political reform has been encouraging. The average annual growth rate in GDP for 1992-1994 is expected to be around 4%, and the GOGB has been preparing for multi-party elections which are likely to be held in early 1994.

Studies by USAID, the World Bank, and UNDP have revealed a number of constraints which limit the growth of the private sector. These constraints exist in the following areas: the policy and policy-making environment; the legal, regulatory and judicial framework; and limited support services to help stimulate and strengthen private sector business activities. Whereas other donors have focused on programs directed primarily at the macro-economic environment and infrastructure development, USAID has been concentrating its efforts during the past two years to assist the GOGB on policy reforms which promote private sector trade and investment. To date, this support has included technical assistance through the IPC Project starting in 1992, and the launching of a new \$20 million, six year USAID Project (Trade and Investment Promotion Support) in 1993 which is aimed at helping Guinea-Bissau achieve market oriented economic growth that is broad-based and sustainable.

B. INITIATION OF IPC PROJECT

IPC involvement in Guinea-Bissau began with an initial visit, primarily funded by the Mission, by an IPC team in January 1992. Core funding paid for the participation of MSI's IPC Project Director on this team. The purpose of this visit was to review jointly with the GOGB major reform issues facing the country and to formulate with the GOGB and USAID/GB a jointly agreed upon plan under which IPC could provide assistance in implementing policy reform in one key target area of concern to the GOGB. During that visit, it was learned that USAID/GB would be concentrating its future program activities in the area of private sector trade and investment, and this commitment subsequently led to the establishment of the TIPS Project (Trade and Investment Promotion Support), which started in late 1993. Thus, it was clear from January 1992 onward that the IPC effort would be working within an overall thrust aimed at promoting private sector development. Within this broad Mission program strategy, it was agreed during the January visit that the IPC Project would focus its efforts on reforms associated with changes in laws and regulations, judiciary weaknesses, and other governance issues that needed attention to improve the environment for trade and investment.

The IPC project had to deal with several challenges in carrying out its work;

- gaining consensus with the GOGB on a fairly focused set of activities since the GOGB was interested in a very broad range of reform priorities which it felt needed simultaneous attention;
- determining a primary client organization in which to work, since private reforms in this area cut across several organizational units; and
- moving forward in a fluid political environment dominated by the uncertainty surrounding the GOGB's commitment to hold multi-party elections in 1992 or 1993.

Despite these difficulties, the IPC project has several key assets to work with;

- a very strong commitment by the GOGB to major reform initiatives;
- IPC access to the highest levels of government (considerably enhanced by the fact that one of the consultants (John Blacken) was the former U.S. ambassador to the GOGB and was highly regarded by key actors within and outside Government); and
- a strong fit (philosophically and programmatically) between IPC's collaborative process methodology and USAID/GB's style and approach to project/program design and implementation.

Following the January 1992 visit, USAID approved an overall scope of work for IPC which was aimed at supporting the Mission's strategy to promote trade and investment. The level of buy-in funding for this effort came to \$792,989.

C. PROGRESS TO DATE

Since the initiation of IPC's work in Guinea-Bissau, considerable progress has been made in accomplishing objectives established in the buy-in scope of work, despite the rather fluid political situation. One particular problem which had to be confronted as soon as IPC began its work in mid 1992 was the need to change the client focus. As noted above, the original plan was to establish a presidential commission as the primary IPC client. However, subsequent political developments made it clear that it would be impractical to move forward with the plan to work through a presidential commission - since the GOGB was clearly preoccupied with delays in reaching agreement with newly formed opposition parties on the election process for the still to be elected legislature. Thus, to keep the momentum moving, it was jointly agreed that the IPC consultants would concentrate their efforts on two working groups - the Judicial Reform Group (JRWG) and Commerce and Industry Working Group (C&IWG). The working group mechanism has worked very well to date. Both groups have welcomed IPC involvement and their members have, in the process, internalized strategic management concepts and approaches in implementing the various components of judicial and trade/investment reform.

To date, a number of concrete activities and outcomes have been accomplished, for which

the IPC Project can take some credit. Some of these accomplishments are listed below:

- passage of a constitutional amendment creating a separate, independent judiciary;
- preparation and passage of enabling legislation to allow the judiciary to operate independently and to establish the administrative/legal structure required to strengthen the legal system;
- the two working groups are continuing without constant input from IPC to carry out their agendas for action (important from an institution capacity building perspective and for sustainability);
- the idea of a market driven economy has received broad publicity through various IPC activities;
- the idea of reaching out to stakeholders in policy reform is expanding within the GOGB. For example, the Ministry of Agriculture has taken this approach in reaching out to its constituencies in planning and carrying out government programs.

One key point noted by both the USAID Mission and IPC consultants is the fact that IPC has been very much part of a mission strategy from the outset, and has been part of a team effort in helping to accomplish the above activities. Thus, while one cannot single out IPC as a sole cause for the above accomplishments to date, the project has unquestionably been a critical contributor to the success which is taking place in the areas of judicial reform and improvements in the trade and investment environment.

D. LESSONS LEARNED

Based on the experience in Guinea-Bissau, a number of potential lessons can be extracted;

- it is critical to work from the context of host country government priorities in collaboratively carving out a meaningful and constructive role for IPC in strengthening local policy implementation capacity;
- accomplishing concrete, sustainable objectives using collaborative strategic management approaches requires sustained effort over an extended period of time. In this particular case, it has taken a minimum of 12 months to make the kind of progress that was anticipated. Short, one-term 1-4 month interventions are not likely to have a sustained impact;
- the IPC approach has to remain flexible in its approach and be responsive to the national environment and policy context. This has implications for the point of entry in the policy problem and cycle, client identification and relationships, and ability to develop local resources to sustain strategic management efforts;

- participation by the client groups for the sake of participation per se is not enough. It must be seen as a means to an end (longer term program objectives). Also, in some instances elements of the participatory approach may have to be truncated or short-circuited to get through a particular step in the policy implementation process - though such actions must be done transparently and for well-articulated reasons;
- the creation and use of informal working groups such as the two that were created in this instance can work effectively. Critical to the success of such groups, however, is the careful selection of key "movers and shakers" who are committed to the success of the endeavor;
- identification and tracking of indicators of progress and achievement must be part of the process. This helps to maintain a sense of direction, keeps the energy and resources focused, and provides a basis for monitoring and pushing the policy implementation agenda forward.

E. CONCLUSION

The IPC Project in Guinea-Bissau has gone very well to date, despite having to work in a fluid political environment. Substantial concrete accomplishments have been achieved and the GOGB and USAID/GB have integrated the IPC approach and consultancy work directly and constructively into the Mission's larger program efforts aimed at stimulating private sector trade and investment. In the newly initiated TIPS Project, the initiatives started through IPC will undoubtedly continue and thus have a stronger possibility of sustainability well beyond the life of IPC's direct involvement in the country.

APPENDIX H - 2

ZAMBIA

ZAMBIA IPC PROJECT

A. BACKGROUND

When the MMD Party came into power in the late 1980's, President Chiluba publicly committed the new government to playing a "minimalist" role to "facilitate" economic and social development throughout the country. This is a considerable shift away from the previous government which was much more committed to an economy dominated by central government intervention and control.

With the adoption of the Structural Adjustment Program by the Chiluba Government, it became very clear that changes would have to be made throughout the Government and economy if the program is to succeed. A major component of this change involves a restructuring of government and public service reform. USAID/Zambia's commitment to supporting reform in the Government has taken shape in the form of the Democratic Governance Project, the stated goal of which is to promote accountable government. It is through this project that the IPC Project is working in Zambia.

B. INITIATION OF THE IPC PROJECT

USAID/Zambia initially invited an IPC team to work on grain price issues after the Chiluba government came to power. Ben Crosby, Julie Koenen-Grant, and Axel Magnusson participated, along with Pat Isman from R&D/EID. However, shortly before their arrival, the government abandoned its restructuring policy and reinstituted price supports, and the visit became a victim of the unpredictability of host country politics.

The next direct contact with the Mission on IPC related work was in late 1991- early 1992 when, as part of an IPC reconnaissance trip, David Gordon and Larry Cooley assisted the Mission in preparing a PID which was later further developed into a PP in mid- 1992 with additional assistance from Tina West and Gordon, funded with core IPC funds, to address public management issues.

Following the completion of the PP, the Democratic Governance (DG) Project was formally activated in September 1992. All IPC activities since that date have been funded from this project. The DG project has several components (support for an independent media, constitutional reform, civic education, etc), and IPC has been specifically tasked with facilitating the creation and institutionalization of a Policy Analysis and Coordination Unit (PAC) in the Cabinet Office. It should be noted that the IPC Project was specifically identified in the PP as the likely resource to help implement this component of the DG Project. In April 1993, a Delivery Order for \$339,769 was signed under MSI's requirements contract.

As stated in the PIO/T, IPC is to provide during Phase I short term technical assistance to: 1) support a process involving senior cabinet office staff to establish the Policy Analysis and Coordination Unit in the Cabinet Office; plan and facilitate a series of strategic management workshops that will help the Unit to establish its working relationships with the agencies and ministries with whom it will interact in carrying out its responsibilities. A workshop for the

National Assembly and study tours for senior PAC staff are also included in the current PIO/T, though the scheduling of these activities has not been finalized.

Based on the existing PIO/T statement of work, the first formal intervention came in June 1993 when IPC consultants Harry Garnett and Tina West came to Zambia to begin planning with senior government officials how IPC would assist the newly created Policy Analysis and Coordination Division in the Cabinet Office. One of the major outputs of their visit was the Preparation of the terms of reference for the rest of the work which would take place in Phase I of IPC assistance to PAC (roughly through December 1993).

The next IPC activity came in September with the holding of a two day workshop (September 18-19, 1993) in Lusaka for all members of PC and selected officers from others parts of the Cabinet Office, as well as all other ministries.

This activity was followed by a workshop held November 5-6, where the terms of reference of PAC and the principal findings of the September workshop could be shared with line ministries. A similar workshop for coordinating agencies was scheduled to take place the following week. The larger purpose of these two workshops was to establish common understanding on how policy proposals are to work their way through the government system, and the role of PAC in working with line ministries and other coordinating ministries/agencies in the processing of ministry proposals to/through Cabinet meetings , as well as in monitoring policy implementation.

This set of activities was accomplished as of mid November 1993. The remaining tasks identified in the Phase 1 PIO/T (Workshop with the National Assembly and study tours) are yet to be scheduled. Phase II, set to begin in early 1994, will include both long-term technical assistance, as well as continuing short-term TA by members of the IPC consortium.

C. PROGRESS TO DATE

As noted above, the IPC Project had only been underway for about 18 months when the evaluation visit took place. Hence it is quite early to attempt an assessment of IPC work to date or to extract any concrete lessons. However, the following general comments and observations can be noted.

- to date, it appears that the IPC support to the Democratic Governance Project has worked smoothly and has meshed well with USAID's and other donors' concerns with improving the efficiency and accountability of the Zambian Government. Within the Mission, and the Democratic Governance Project and IPC's role in the Project are seen as getting at the larger issue of promoting accountable government in Zambia;
- while there were some initial contractual delays in getting the buy-in to IPC processed through AID/Washington, once the buy-in was in place, the administration of IPC's work has gone quite smoothly;

- so far, the program of IPC support is moving according to plan, and good working relationships have been established between the IPC consultants and the Cabinet Office.

D. CONCLUSION

IPC support to the Democratic Governance Project is off to a good start. USAID/Zambia and officials within the Government of Zambia are pleased with IPC's contribution to date. However, it is still quite early in the implementation phase of this project and additional time will have to pass before a more thorough assessment of IPC's contribution and impact can be made.

APPENDIX H - 3

JAMAICA

JAMAICAN IPC PROJECT FISCAL POLICY MANAGEMENT UNIT

A. BACKGROUND

During the 1970's, the Jamaican public sector grew rapidly and the expansionary fiscal policy created serious fiscal problems for the country. The expansionary policy was changed during the 1980's to reduce the public sector and rely more on the private sector as a result of new leadership in Jamaica and the urging of the donor community. The donor effort was initiated by AID, but the IMF and the World Bank, at the urging of AID and Treasury Department, increasingly took a lead role in establishing conditionalities for donor assistance.

The fiscal performance in a number of key areas such as deficits and overvalued currency has not been of only limited effectiveness in supporting the new policies for a number of reasons. The IMF targets were viewed as externally imposed and demeaning. As a result, they were used more as a means of getting loans and grants than as Jamaican tools with which to battle their economic woes. Resentment ran high, and the donors were perceived as preoccupied with economic theories that ignored their negative impact on the public.

At the same time this disappointing progress in improving fiscal policy performance has been taking place, some elements of the Jamaican capacity for developing and coordinating fiscal policy and monitoring its implementation have been weakening rather than becoming stronger. In particular, the analytical capacity of the Finance Ministry (MOF) has eroded, and its fiscal policy role has diminished and grown increasingly unclear in the minds of many people.

B. INITIATING THE IPC PROJECT.

A 1992 study prepared by an IPC team through a buy-in concluded that for a number of reasons the IMF programs have not resulted in long term improvements in fiscal policy and that "fiscal policy analysis, formulation and monitoring capacity is essential for improved economic performance". Reform measures lacked credibility for lack of solid information. Political leaders who wanted to improve fiscal performance were weakened by lack of reliable data that would have helped counter the opposition. Implementation weaknesses caused the economic reforms to drag on and on, thereby contributing to loss of support.

Coordination and communication among the public and private stakeholders was minimal, and few opportunities were utilized to develop needed support for fiscal policy reforms. The roles of various government organizations related to fiscal policy were unclear.

Quantitative goals were said to have been lost sight of in the emphasis on simple quantitative goals. Quality of MOF data was regarded as very poor, revenue forecasting was particularly weak, and there was very little capacity to check data from outside MOF.

This study concluded that improving fiscal policy formulation and implementation required strengthening the analytical capacity of the MOF, and that this strengthening could best be accomplished by establishing a fiscal policy management unit in the MOF to provide high quality information and analyses for decision-makers. A second buy-in provided for briefings on the study and helped build consensus for action.

In December 1992 the Government of Jamaica (GOJ) signed a memorandum of understanding with USAID and UNDP to create a Fiscal Policy Management Unit (FPMU) to enhance the MOF institutional capacity for policy analysis, formulation, implementation and monitoring. It was to report to the Minister of Finance and Financial Secretary to strengthen fiscal policy analysis and management and to enhance the capacity of the MOF to play a leading role in economic management consistent with its legal charter.

USAID/Jamaica discussions with R&D/EID led the mission to conclude that further IPC involvement would be very useful in establishing the FPMU by clarifying organizational roles, informing stakeholders of the purpose and need for the FPMU, and developing support for the new unit among stakeholders that had conflicting agendas. This was accomplished through a combination of mission funding, a third buy-in, and some core project funds.

The IPC contractors were given the task of establishing an operational workplan for the Unit's first six months, followed by an action plan for the first three years of implementation. On a collaborative basis, they were to also draw up priorities for the Unit's research agenda on fiscal policy and related issues.

B. WORKSHOP. Another activity under the third buy-in was that of assisting the Ministry of Finance to plan and execute a workshop for the MOF to launch the Unit. This was to include the Permanent Secretaries of the other ministries and other statutory bodies of the Government, plus others outside government. This event provided a good starting point for implementation because it (a) demonstrated the support of the leadership in the GOJ, and (b) was the beginning of stakeholder involvement which has turned out to be of critical value.

The two-day workshop held in December 1992 was preceded by a number of indepth discussions over a number of months with individuals in stakeholder organizations located both within and outside the MOF. The agenda included a discussion of the need for the FPMU, its perceived role and contribution with respect to addressing the fiscal and economic issues confronting Jamaica, its role, responsibilities, and relationships, and an action plan.

Four sets of working groups were organized, comprised of staff from MOF and other government organizations concerned with management of the economy. Each set included five to seven subgroups for the three major segments of the workshop, providing extensive involvement of those who would be involved or impacted by the FPMU. Benefits identified by the working groups were:

- Better coordination, planning and setting of national fiscal objectives;
- Better access to information and analysis, leading to more informed fiscal

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decision-making; and

- Strengthening the MOF.

Principal potential problems foreseen in the workshop discussions were:

- Possible overcentralization;
- Possible elitism of FPMU, with other organizations having important roles being overshadowed;
- Concern about long term survival after donor support ended;
- Temptation to use the FPMU primarily as firefighters; and
- Question as to whether those with whom the new unit would have to work would think in any but traditional ways.

Training and better communications were underlying themes of the working groups with respect to how best to solve the potential problems they foresaw. It was agreed that the most critical step was to recruit four experts to help establish the FPMU and work in the Unit for an extended period to help develop implementation skills among four counterpart specialists who also needed to be recruited as permanent FPMU staff. A concrete action plan for recruitment of these people was produced by the workshop.

Apart from the buy-ins, and a small amount of core funds, USAID is using \$1 million of Economic Support Funds to establish the FPMU and provide the long term technical assistance to develop the effectiveness of the unit required for its important role. The UNDP has also contributed \$190,000.

C. CONCLUSIONS.

Everyone with whom the Team representative met spoke of the importance of this workshop as pivotal in gaining an understanding of the purpose of establishing the FPMU, developing support for the Unit and the new policy directions that require better analytical support, and clarification of roles. Especially important, combined with the preparatory work that preceded the workshop, it developed a sense of ownership among the stakeholders in the Unit and the policy reforms it is to help support.

The recruitment action plan has suffered from (a) the fact that some of the dates were unrealistic, (b) an U.S. contract procedural problem concerning hiring of one of the experts, and (c) delays by the GOJ in its recruitment of one of the counterparts. Nevertheless, the Unit is in operation, and the quality of the personnel appears to be quite high. Every person interviewed

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in the GOJ and USAID regards the IPC project as very successful thus far.

The Evaluation Team agrees with this positive view. Progress in gaining understanding and support for the steps to strengthen the effectiveness of the Ministry has been impressive. Nevertheless, the Team cautions that there are early signs of lost momentum that should be addressed while there is time.

It is believed that more attention should be given to plans for monitoring the project and to establishing clearer indicators for measuring progress. The Mission Project Officer believes there is a need for more quality control and monitoring than available resources have provided. The USAID needs to be given more relief from administrative details that compete with the time he needs to devote to economic issues. For sustainability, steps should now be taken to extend the IPC concepts to policy changes in other program areas in Jamaica, a step which has support within the Mission. They should be built into the mainstream of policy change management, but with reduced expenditures for future Jamaican projects that will need to come largely from sectoral funds rather than ESF.

APPENDIX I

USAID/PHILIPPINES SUPPORT FOR DEVELOPMENT PROJECT II LOGICAL FRAMEWORK

The following design represents an interesting effort to specify in some detail how USAID/P and the Government of the Philippines could measure outcomes of the policy changes being supported under the SDP II. It was excerpted from MSI's report on this activity.

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The SDP II Logical Framework:

The logical framework proposed by the IPC team for the SDP II program is presented below. At the goal and purpose level, the statements included in the negotiated Policy Matrix have been retained. Indicators of goal and purpose achievement have been developed which do not appear in the Policy Matrix. Rather, as will be seen, the "policy actions" from the negotiated Policy Matrix have been included at the outputs level of the logframe, and the Matrix "performance indicators" have been included at the appropriate points in the objectively verifiable indicators column for the outputs level, with the relevant tranche periods indicated.

As is usual, means of verification have been proposed for each set of indicators, at each level of the logframe. Most of these are fairly obvious, and are easy to obtain without additional data gathering or expense. Where additional data are likely to be needed, they will in most cases be provided by the results of special studies that are called for under the Support Component. In some cases, special surveys or polls will need to be carried out, as is discussed further below.

A series of critical assumptions has been delineated for each level of the logframe. These assumptions are largely outside the manageable interest of A.I.D. and to some extent, are also outside the manageable interest of the GOP, or at least the implementing agencies that will be involved in SDP II. As will be discussed further below, these assumptions will be monitored through econometric modeling and other forms of observation which, together, will form the elements of a management information system (MIS).

Performance Monitoring:

One of the key features of program assistance based on a policy matrix approach is that it is based on the measurement of policy reform performance. A.I.D. and the host government monitor performance, and on the basis of their joint assessment of that performance, additional funds are released in tranches. If there is no performance, or if performance is deemed to have been insufficient, then the release of funds is delayed or canceled. In cash transfer assistance programs such as SDP II, there is no local currency generation, so there are no local currencies to track as an additional indicator of performance. Rather, it is the achievement of the agreed policy changes alone that constitutes the measure of performance.

**PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK**

Life of Project:
From FY 1991 to FY 1993
Total U.S. Funding \$120,000,000
Date Prepared: _____

Project Title & Number: Support for Development II - USAID/Manila

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><i>Program or Sector Goal: The broader objective to which this project contributes: (A-1)</i></p> <p>Philippine Exports are Competitive in world markets.</p>	<p><i>Measures of Goal Achievement: (A-2)</i></p> <ol style="list-style-type: none"> 1. RP share of the market for ____ traditional exports and ____ non-traditional exports increases over LOP. 2. Off-shore investment in RP exporting concerns increases. 	<p><i>(A-3)</i></p> <ol style="list-style-type: none"> 1. GOP - BETP & BOC statistics. 2. DTI - BETP statistics. 3. DTI-BETP, CB, PCCI statistics. 4. Applications for export retention of forex at CB increase. 	<p><i>Assumptions for achieving goal targets: (A-4)</i></p> <ol style="list-style-type: none"> 1. GOP and Philippine economy able to adapt to changes in regional and world economy.

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NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><i>Project Purpose: (B-1)</i></p> <p>Competitive Pricing for Exports and their Inputs Occurs in a Supportive Environment for Exports</p>	<p><i>Conditions that will indicate purpose has been achieved: End-of-Project status. (B-2)</i></p> <ol style="list-style-type: none"> 1. Attendance by foreign buyers at RP trade shows increases. 2. Proportion of imported items in exports decreases. 3. Variety of items exported increases. 4. Small and medium exporters enter market or subcontract to larger exporters. 5. Inputs for exports are more widely and readily available. 6. Tax credits and duty drawbacks are more quickly available to exporters. 	<p><i>(B-3)</i></p> <ol style="list-style-type: none"> 1. BOC, PCCI, DTI statistics. 2. BOC, PCCI, DTI statistics. 3. PCCI, BETP studies. 4. PCCI, BETP studies; independent studies. 5. Exporter association studies and interviews (PCCI). 6. Exporter interviews, BIR and BOC statistics. 	<p><i>Assumptions for achieving purpose: (B-4)</i></p> <ol style="list-style-type: none"> 1. GOP remains on track with IMF standby conditions and IMF standby is extended or renewed. 2. Other AID and other donor program assistance conditionalities are met, providing missing links to other "slices" of GOP policy reform program. 3. Congress does not introduce or enact legislation that substantially constrains GOP reduction of interest rates, the deficit, or requires intervening unnecessarily in financial markets. 4. Models of Philippine economy used to forecast and track economic performance are enhanced to permit tracking of SDP II policy reform impacts. 5. That the SDP II program outputs, together with conditionality of other programs and other aspects of GOP economic and fiscal policy, will provide a supportive environment for competitive RP exports.

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Project Outputs: (C-1)	Magnitude of outputs: (1-2)		Assumptions for achieving Outputs: (C-4)
<ol style="list-style-type: none"> 1. Movement toward market-determined exchange rate by liberalizing foreign exchange management and holdings. 2. Improved access to inputs at world prices by streamlining duty drawback system. 3. Increased adequacy of inter-island liner shipping services by liberalizing rate and route franchising regulations. 4. Increased efficiency of financial resource mobilization by strengthening VAT administration and lowering interest rates impact of public debt financing through improved management. 5. Needed technical support provided for achievement of outputs 1-4. 	<p><u>Tranche</u></p> <ol style="list-style-type: none"> 1.1. Basis for determining lower positions of commercial banks established and limits on open positions set that allow flexibility for efficient market functioning. (5/92) 1.2. Test run of off floor trading among commercial banks operating and review of experience completed. (5/92) 1.3. Proposal to abolish documentary stamp tax for interbank forex transactions submitted to Congress. (5/92) 1.4. Comprehensive study on foreign exchange rules and regulations completed. (5/92) 1.5. Retention limits of forex earnings by exporters substantially expanded. 1.6. Participation in the foreign exchange market expanded to other banks and non-bank institutions. 1.7. Revised accreditation system for foreign exchange brokers and dealers operating. 	<ol style="list-style-type: none"> 1.1. CB, DOF reports, BAP reports/studies. 1.2. SDP-funded review, record of trades. 1.3. Doc. stamp tax bill submission date. 1.4. Study findings/report. 1.5. Records, CB, poll of exporters thru' PCCI. 1.6. Poll of exchange traders and BAP; press announcements. 1.7. CB records, accreditation rules; application processing records. 	<ol style="list-style-type: none"> 1. That GOP and Philippine private sector have political will to see these outputs achieved in a reasonable timeframe, approximately that of the next 19 months. 2. That GOP and AID are able, together, to assess performance so as to make corrections in the partial model on which these outputs are based, so as to modify them if necessary. 3. That no major political events constrain implementation of these policy reforms given election schedule. 4. That Congress will enact facilitating legislation regarding these particular outputs where necessary. 5. That levels of inefficiency and corruption in private and public sectors will decrease sufficient to allow achievement of these outputs. 6. That GOP will have sufficient analytic and human resources to define and carry out the tasks necessary to execute the implementation actions and associated steps.
	<p><u>Tranche Three</u></p> <ol style="list-style-type: none"> 2.1. One-stop duty drawback center operating effectively. (5/92) 2.2. Standard formulae of manufacturing (SFM) updated and applied for 200 priority export items. (5/92) 2.3. Procedures for automatic approval of 40 percent of VAT tax credit claims implemented. (3/92) 2.4. Length of processing time for 80% of completed applications at duty drawback center reduced to 60 days or less for at least a 3 month period. 2.5. SFMs developed and applied for additional 300 priority export items. 	<ol style="list-style-type: none"> 2.1. SDP-funded review, World Bank and GOP/ BETP reports 2.2. DOST, BETP, exporter (PCCI) reports. 2.3. BIR processing records. Poll of VAT registrants thru' PCCI. 2.4. Duty drawback shop records, COA records, reports by exporters to PCCI. 2.5. DOST, BETP records. 	<ol style="list-style-type: none"> 7. That elements of the support component are harmonized so as to yield greater combined impact and substantially facilitate GOP ability to execute these actions, in part by modifying the extra governmental environment in which they must be achieved. 8. That the quality of services provided under the support component is sufficiently good that this facilitative function is performed. 9. ADB assistance in computerization of BIR goes forward on schedule and yields clean, secure VAT registrants master list.

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NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
	<u>Tranche</u> 2.6 Length of processing time for 80 percent of completed applications reduced to 60 days or less for at least three month period. 3.1 Action plan adopted to liberalize liner cargo rates. (5/92) 3.2 Agricultural commodities reclassified. (5/92) 3.3 Cargo fork tariffs widened significantly. (5/92)	2.6 BIR records, poll of exporters thru' PCCL. 3.1 Action plan from MARINA. 3.2 GOP-BOC reports; DOA data. 3.3 MARINA reports, press reports.	

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Project Inputs: (D-1)	Implementation Target (Type and Quantity) (D-2)	(D-3)	IMPORTANT ASSUMPTIONS
	<p><u>Tranche Three</u></p> <p>3.4 Action plan adopted for route franchising liberalization and initial implementation steps taken, including public release of information on routes requiring new, expanded or improved services.</p> <p>3.5 Schemes adopted to introduce passenger service schedule and rate flexibility.</p> <p><u>Tranche Two</u></p> <p>4.1 Operation Sayod and installation of New Payment Control System (NPCS) completed nationwide.</p> <p>4.2 Action program for developing secondary market for long term public debt instruments adopted.</p> <p>4.3 Participation in the competitive bids for government securities widened and bidding rules improved.</p> <p>4.4 Action program for improving the access of small savers to government securities, including possible use of unit trusts, and/or savings bonds, adopted.</p> <p><u>Tranche Three</u></p> <p>4.5 Over a period of at least two consecutive quarters, a VAT/ANP ratio of 1.25% achieved.</p> <p>4.6 Necessary support facilities for the secondary market, including possibly an emergency liquidity facility, established.</p> <p>4.7 Long term public debt instruments promoted and available.</p> <p>4.8 Clearing and settlement system for government securities designed and tested.</p> <p>4.9 Mechanism(s) for the access of small savers to government securities designed.</p>	<p>3.4 Action plans, press releases, rate and route advertisements.</p> <p>3.5 MARINA and SHIPPERCON records.</p> <p>4.1 BIR reports, BIR Master list of registrants VAT.</p> <p>4.2 Action program documents, CB records, public announcements.</p> <p>4.3 CB documents; BAP interviews; trading records.</p> <p>4.4 Action program documents; study reports.</p> <p>4.5 BIR statistics.</p> <p>4.6 CB, BAP records, study results.</p> <p>4.7 CB records, press releases, BAP member records.</p> <p>4.8 System design documents; records assessing test.</p> <p>4.9 GOP, BAP and independent study reports.</p>	

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	INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
	<p>4.10 Access of small savers to government securities promoted thru unit trusts.</p> <p>4.11 Decision taken on any further development of other appropriate mechanisms for small savers.</p> <p>5.1 Studies, TC, and training support for component services carried out and positively viewed by GOP and A.I.D. (11/91)</p> <p>5.2 GOP will have developed the skills necessary--and acquired some technologies required--to continue to define and implement similar policy reforms successfully.</p>	<p>4.10. CB, DOF, BAP reports, SEC reviews.</p> <p>4.11. DOF reports.</p> <p>5.1. Records of GOP/AID negotiation sessions, USAID contracts.</p>	
<p><i>Activities and Types of Resources</i></p> <p>1. Transfer cash in three tranches.</p> <p>2. Carry out studies, technical collaboration and training to support outputs 1-4.</p>	<p><i>Level of Effort/Expenditure for each Activity.</i></p> <p>Tranche 1 - \$_____million ____/91</p> <p>Tranche 2 - \$_____million 5/92</p> <p>Tranche 3 - \$_____million 12/92</p> <p>\$4 million for support component.</p>	<p>1. USAID budgets.</p> <p>2. USAID budgets</p>	<p><u>Pre-conditions</u></p> <p>1. PAAD approved.</p> <p>2. ProAg signed.</p> <p>3. Appropriate TC identified.</p>

However, there are many things that can--or cannot--happen to influence whether or not the desired and planned performance will be achieved by the time it is scheduled in a policy matrix such as that negotiated for SDP II. Among these are the events, actions or other phenomena included in the critical assumptions in the proposed SDP II logframe. There are still other endogenous and exogenous variables which should also be taken into consideration.

There are a number of reasons why a more sensitive and extensive monitoring system is probably required for SDP II than under previous policy reforms programs in the Philippines. First of all, there are many implementation actions, indicators, and support activities. Some of the support activities are essential before implementation actions can begin. Examples include the study of the open forex position which has to precede open market trading, and the need to study savings options before a new unit trust or bond scheme is launched. The Support Component, even in its more condensed form as of September 1991, includes combinations of studies, technical collaboration and training. These are designed to be harmonized, or interactive, so that the maximum benefit can be achieved from each element, leading to enhanced institutional capacity on the part of concerned GOP agencies. This is in part a result of the complexity of the reform actions, and in part due to the fact that is clear that considerable institutional development is actually required if the reforms are to be fully effective.

For example, even after off-floor trading has been implemented, the desired market-determined foreign exchange rate will only be achieved if the Central Bank and the commercial banks pursue policies that will allow such a rate to prevail. Progress with strategic management activities in key institutions will have to be monitored along with simple compliance with the agreed actions. And it is partly because the policies and even the missions of the institutions will have to change that it becomes important to monitor the final impacts of the policy reforms. For example, as discussed further below, not only does off-floor trading have to take place, but the Central Bank has to restrain itself from trading in such a way that the exchange rate continues to be overvalued. The monitoring system has to be able to pick up the impact on exporters of the use made of off-floor trading by the Central Bank and the commercial banks.

PB

APPENDIX J

West Africa Enterprise Network Briefing Paper

**THE WEST AFRICAN ENTERPRISE NETWORK
BRIEFING PAPER - SEPTEMBER 1993**

Objective: To create and support a private sector network in West Africa to enable and influence the formulation and implementation of policy which promotes the contributing role of the private sector in development.

Vehicle: AFR/ONI OYB transfer to R&D/EID Implementing Policy Change (IPC) Project

Co-Sponsor: Club du Sahel (AFR/SWA, Anne de Lattre)

Funding: \$420,658 covering 31 August 1992 to 31 August 1993
\$300,000 covering 1 Sept. 1993 to 31 December 1993 (CONTRACT PENDING)

Technical Assistance: Michel Courcelle (DAI)

Deborah Orsini (MSI)

Background: Concept grew out of AFR/ONI-sponsored 11/91 Regional Conference in Dakar entitled "The Private Sector Operator's Perspective on an Agenda for Action" Original intent was to create regional network to lobby for change in four areas addressed by conference. An ad-hoc Network Steering Committee was created, drawing from the Dakar conference participants.

3/92: First meeting of Regional Network Steering Committee, Cotonou. Consensus to move forward with Regional Network. Decision to draw members from national networks, to be created locally.

8/92: Selected steering committee members visit Washington to introduce Network to major donors and U.S. business leaders.

9/92: AFR/ONI OYB transfer to IPC project for technical assistance to Regional and National Networks: focus on policy reform objectives.

11/92: Second meeting of Regional Network Steering Committee, Lagos. Decision to organize follow-on regional conference in Nov. 1993 to examine reform achievements since Dakar and develop action plans on priority issues affecting the private sector in West Africa.

11/92-

8/93: IPC Technical Assistance team assists national networks to:

- build national networks
- develop strategic plan
- conduct stakeholder analysis
- define influence strategies (advocacy)
- obtain policy-related information

3/93: Third meeting of Regional Network Steering Committee, Abidjan. Reports on national network strategic plans. Consensus on 4 issues for Nov. 1993 Conference: Financial restructuring, entrepreneurship, improving dialogue with the State, competitiveness.

8/93: Fourth meeting of Regional Network Steering Committee, Accra. Reports on national network strategic plans. Draft working papers for Nov. 1993 Regional Conference.

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Network

Definition:

Informal and locally-driven organizations serving as catalysts in the policy reform process, with a results-oriented strategic plan, seeking long-term sustainability and profiting from cross-fertilization of experiences and information on trade/investment opportunities on the regional level.

Methodology:

IPC process orientation
Networks created through cooptation (local ownership, informal ass'n)
Networks develop strategic plan
(objectives, activities, responsibilities, schedule, M&E plan)
Networks determine stakeholders and influence strategies
Networks define priority reform initiative
Sustainability emphasized from outset: networks self-fund
National policy agendas drives regional agenda
Networks cross-fertilize: policy experience and cross-border trade and investment opportunities)

Project

Outputs:

1. **Creation of eight national networks**
2. **Development of a strategic plan and implementation of one priority reform initiative by each network**
3. **Organization of two regional strategic management/advocacy workshops**
4. **Organization of the Accra Regional Conference to debate four issues**
5. **Creation of a regional network member/business opportunity directory**
6. **Publication of four bilingual newsletters**
7. **Publication of two IPC technical notes**
8. **Preparation of IPC research case study on the Enterprise Network.**

Performance

Indicators:

Network strategic plans developed
Network position papers drafted on reform issues
Network members have access to government policy makers and donors
Network members participate in government working groups on reform issues
Government policy, laws or regulations affecting private sector are changed: negative measures are blocked.

	STRATEGIC OBJECTIVES	ACTIVITIES	RESULTS
GHANA Members: 30	1. Improve dialogue with the State 2. Increase foreign investment 3. Facilitate financial restructuring 4. Develop capital markets 5. Promote entrepreneurship	a. Official Network launching July 16 1993 b. Dialogue with donors a. Network members advise gov't on stock exchange (committee) b. Network members advise gov't on divestiture (committee) c. Members participated in CBI Conference on Ghana d. Members met with CID in London a. Decision to create Investors' Club a. Regulatory regimes monitored b. Lobby to increase shares offered of Ashanti Gold Co. a. Decision to produce book/TV program on local entrepreneurs b. Decision to publish Network directory c. Decision to undertake public service program	- Positioned as apolitical advocacy group - Included as member of Private Enterprise Foundation - Exchange Control allows foreign participation - Accelerated privatization - Proposal to create Privatization Fund - 2 potential investors identified (SOMM cedus) - Proposal to create Ghana Growth Fund - Draft Club concept paper, membership list - Concept paper on creation of Chair at University of Legon
SENEGAL Members: 20 (N.B.: Most recent Network, created 4/93)	1. Improve dialogue with State 2. Promote national investment in Senegal 3. Improve competitiveness through human resources development	a. Action plan developed b. Priority reforms identified: tax, investment, bankruptcy laws a. Decision to create Investors' Club a. Proposal to develop a sub-regional network of liberal professions: management, law, accounting	General Assembly convened Policy position paper on VAT reform - Statutes drawn up; investment program developed
COTE D'IVOIRE Members: 10	1. Promote national investment in Côte d'Ivoire	a. Audit constraints to investment in milk/oil products subsector b. Evaluation of factors for success in milk/oil agro-industries 9/93 c. Privatization scheme for rubber plantation devised	- Discussions with multinationals (Nestlé, Unilever) re activities which they could spin off for purchase by nationals Business plan developed for privatization by nationals
BENIN Members: 7	1. Improve dialogue with State 2. Reform regulatory regimes 3. Restructure Chamber of Commerce	a. Stakeholder analysis conducted b. Donors contacted a. Analysis of regulations affecting public accountants, tax code and CFA Zone b. Network members on joint committees to review regulations c. Preparation of position papers for December 1993 BOAD-sponsored Round Table on Private Sector a. Network members on joint committees discussing Chamber restructuring and elections	- Interested parliamentarians identified and contacted

		ACTIVITIES	RESULTS
BURKINA FASO Members: 15	1. Improve dialogue with the State 2. Strengthen employers' federation 3. Facilitate financial restructuring 4. Reform Customs Code	a. Members participate in gov't commissions on reform issues a. Participation in tripartite meeting: gov't, unions and employers a. Discussions with donors on creation of Private Sector Fund b. Participation in conference on rehabilitating private enterprise a. Review of customs regulations re imported intrans	- Reactivation of Employers' Federation of Burkina Faso (3/93) with revised statutes and elected officials
MALI Members: 30	1. Improve dialogue with the State 2. Lower tax burden 3. Increase private sector access to credit 4. Reduce level of fraud	a. Action plan developed and General Assembly held b. Stakeholder analysis conducted; key parliamentarians contacted c. Explanatory note on Network and Newsletter sent to donors a. Network members participate in commissions to advise government on tax policy and implications b. Network to hold seminar on public finance for tax commission within National Assembly a. Creation of Commission on private sector finance a. Network members participate in commissions to evaluate results of public/private sector brigades to fight fraudulent entry of merchandise	- Membership increased to 30 - Parliamentarians asked to be part of Network's information distribution circle - Head of National Assembly sends draft legislation to Network for review/comment - Network able to block proposed tax legislation imposing certain automatic penalties on private sector
CAPE VERDE Members: 10	1. Improve dialogue with the State 2. Implement financial reform	a. Creation of Employers' Federation (FEC) b. Proposal to organize regional trade fair a. To resolve conflicts between Central Bank and Commercial banks	- Government opposed to increased private sector role Government refused authorization to organize trade fair
NIGERIA Members: 10	1. Improve dialogue with the State 2. Increase local competitiveness	a. Network members participate in National Economic Commission and in Enabling Environment Forum a. Network to study effects of dumping of Asian goods in Nigeria	

APPENDIX K

Managing for Results Seminar Agenda

**SEMINAR: MANAGING FOR RESULTS: IMPLEMENTING POLICY CHANGE BY HOST
COUNTRY ORGANIZATIONS**

AGENDA FOR SEPTEMBER 30, 1993

ACADEMY FOR EDUCATIONAL DEVELOPMENT CONFERENCE ROOM

- 8:30** **Informal Gathering for Coffee**
- 9:00** **L** **OPENING: THE SEMINAR, PURPOSE AND METHOD**
 Duff Gillespie, DAA/R&D
- 9:15** **IL** **HOW DOES HOST COUNTRY ATTENTION TO IMPLEMENTATION OF POLICIES
CONTRIBUTE TO DEVELOPMENT RESULTS? WHAT DO WE KNOW?**
 Moderator: Gloria Steele, R&D/EID
- A. Abbe Fessenden, POL/CDIE**
 B. Jerry Wolgin, AFR/ARTS
 DISCUSSION
- 10:15** **III.** **WHAT IS THE HOST COUNTRY TASK IN MANAGING CHANGE?**
 Moderator: Michael Morfit, POL
- A. Dynamics of host country policy implementation**
 Merilee Grindle, HIID, Harvard University
 B. The place of public management change in evolving democracies with market
 economies
 Dwight Ink, Former Assistant Administrator, A.I.D.
 DISCUSSION
- 12:00** **LUNCH**
- 1:00** **C. Implementing policies using strategic management and public/private shared**
 ownership: the U.S. experience
 John Bryson, Hubert Humphrey School, University of Minnesota
 D. Strategic management for policy implementation: developing countries
 Louise White, George Mason University
 DISCUSSION
- 3:15** **IV.** **APPROACHES FOR SUPPORT**
- A. TA and consulting techniques -- for assessment, planning and decision making by**
 host country clients -- applied to implementing policies
 Larry Cooley, Management Systems International
 B. How might A.I.D. change its strategies?
 David Gordon, Staff, House Foreign Affairs Committee
 DISCUSSION
- 4:00** **V.** **IMPLICATIONS FOR A.I.D.'S STRUCTURE AND PROCEDURES**
 Phyllis Dichter-Forbes
 DISCUSSION
- 4:45** **CLOSING: T. David Johnston, R&D/EID**

APPENDIX L

S&T Cross Cutting Evaluation Themes

S&T Cross-Cutting Evaluation Themes

The Team's response to the "S&T Cross-Cutting Evaluation Themes" is addressed below.

1. Cost-sharing

Is cost-sharing considered a part of the original project design? If not, should it have been?

Response: Cost sharing was not part of the original design. It is not clear how the project would have been enhanced by including cost sharing.

Do project implementation instruments reflect requirements for cost-sharing? Did cost-sharing from the contractor, grantee or project participants have an effect, positive or negative, on the project?

Response: Not applicable

Have outside parties provided resources for the project? Can we assess the efficacy and impact of this contribution, if any?

Response: Yes, in-kind resources have been provided by host country organizations. The study did not permit assessing their efficacy and impact.

2. Buy-ins

Is there a buy-in component under the project? If yes, is that buy-in component described in the project design? Is there a process for tracking activities financed through buy-ins? Are there mechanisms in place to measure the substantive effects of buy-ins?

Response: Buy-ins were anticipated to amount to approximately \$3,500,000 through FY 93 and the types of buy-ins anticipated were well described in the PP. A process is in place for tracking buy-ins and they amounted to approximately _____ through FY 93. As noted under Section _____ in the main body of the report, the tracking of the substantive effects of buy-ins could be improved in some cases.

Have the buy-ins made a positive contribution to the project? Have the buy-ins complemented the S&T-funded portion of the project and enhanced the overall effect of the project?

Response: Buy-ins have been essential to both the technical assistance and research agendas of the project, in that most technical cooperation activities are funded by buy-ins and these activities provide data for the core-funded research activities.

Has the project changed its focus as a result of the buy-ins? Have project objectives changed to incorporate the buy-ins? Is achievement of the project's original objectives dependent or independent of the buy-ins? In what way?

Response: R&D/EID project managers have worked closely and successfully with buy-in offices to ensure that buy-ins have not changed IPC's focus or objectives. However, they have permitted flexibility to tailor detailed design of implementation to fit circumstances of each country. Achievement of the project's objectives are definitely depended on the buy-ins, in that field technical cooperation activities are designed to inform research and vice-versa.

What are the attributes of buy-in experiences which have worked well, e.g., the attributes of success? Similarly, what has not worked well?

Response: Attributes of success include: Opportunities for IPC personnel (contractor or R&D/EID) to visit missions to explore how IPC can assist mission policy initiatives; active Mission management that has prepared the way for technical cooperation activities; adequate funding; highly interactive process with AID/W managers of defining the buy-in SOW; adequate lead time for administrative processing of the PIO/T; and tailoring of activities to meet the needs of specific country problems.

3. Sustainability

How is sustainability addressed by our project? Is sustainability addressed directly by the project design? Is capacity building a part of the project? Is there verifiable progress on institutionalization from project efforts to date?

Response: Sustainability is inherent in the approach to transferring strategic management concepts and processes through workshops and other activities that give host country participants "ownership" of project interventions. Field visits and interviews suggest that progress on institutionalization has been made, but several recommendations are discussed in the main report, under Technical Cooperation.

Does the project take into account the financial and institutional requirements to continue operation of the project activities after A.I.D. funding is terminated?

Response: In general it has. But please refer to discussion of sustainability in the technical cooperation section of the main report.

Can we assess the extent to which the project target audience is motivated to ensure long-term sustainability?

Response: Yes. It is inherent in the strategic management process that the target audiences are actively involved in all aspects of each intervention and that responsibility for sustainability lies with them.

4. Women in Development

Were gender issues discussed in the PP?

Response: There was no direct discussion of gender issues.

Were gender issues taken into account during project implementation?

Response: Not explicitly. The contractor team provided gender-balanced technical assistance teams in most cases.

Can project impact be disaggregated by gender? Do project data reflect gender consideration?

Response: While in principle it might be possible to disaggregate implementation activities and policy impact by gender, the project has not collected data for this purpose. In certain IPC interventions, gender issues may have emerged during stakeholder analyses and have had to be addressed.

5. Peer Review

If research is a major part of the project, does it have a peer review plan?

Response: There is no formal peer review plan.

What is the extent of peer review under the project as implemented to date? Are peer review mechanisms documented? Has practice followed the agreed approach? Have peer review mechanisms met, in substance, the Bureau and Agency objective set forth in the guidance?

Response: A number of networking activities under the project are in the nature of peer review. Documentation of these activities at this time is not adequate to make judgements about them.

6. Information Collection and Dissemination

Are the collection and dissemination of information identifiable components of the project? Were these components planned in the PP?

Response: Yes. Please see discussion of dissemination under this component of the main report.

Does the project support a reference library or "database"? What are the project's mechanisms for dissemination? Are project data being disseminated?

Response: Yes. Again, please see the main report.

Has the project had an ascertained effect attributed to dissemination?

Response: It is too early to determine.